

Quarterly report on consolidated results for the second financial quarter ended 30th September 2009

Condensed Consolidated Income Statements for the second quarter ended 30th September 2009

(The figures have not been audited)

	3 months ended		6 months ended	
	30th Sept 2009 RM'000	30th Sept 2008 RM'000	30th Sept 2009 RM'000	30th Sept 2008 RM'000
Revenue	27,102	43,507	53,297	96,342
Operating Expenses	-25,259	-41,817	-49,470	(91,482)
Other operating income	142	600	440	714
<b>Profit from Operations</b>	<u>1,985</u>	<u>2,290</u>	<u>4,267</u>	<u>5,574</u>
Finance costs	-2,107	-2,314	-4,499	(4,485)
<b>(Loss)/ profit before tax</b>	<u>(122)</u>	<u>(24)</u>	<u>(232)</u>	<u>1,089</u>
Income tax expense	0	-210	0	(498)
<b>(Loss)/ profit for the period</b>	<u>(122)</u>	<u>(234)</u>	<u>(232)</u>	<u>591</u>
<b>(Loss)/ profit for the period</b>	<u>-122</u>	<u>-234</u>	<u>-232</u>	<u>591</u>
Attributable to:				
Equity holders of the parent	(118)	(223)	(228)	630
Minority interest	(4)	(11)	(4)	(39)
	<u>(122)</u>	<u>(234)</u>	<u>(232)</u>	<u>591</u>
Earnings per share attributable to equity holders of the parent				
Basic, for loss for the period	<u>(0.18)</u>	<u>(0.34)</u>	<u>(0.35)</u>	<u>0.97</u>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31st March 2009 and the accompanying explanatory notes attached to the interim financial statements.

Quarterly report on consolidated results for the second financial quarter ended 30th September 2009

Condensed Consolidated Balance Sheet as at 30th September 2009

(The figures have not been audited)

	As at 30th Sept 2009 RM RM'000	As at 31st March 2009 RM RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	97,225	98,853
Intangible assets	1,875	1,875
	<u>99,100</u>	<u>100,728</u>
<b>Current assets</b>		
Inventories	23,115	21,392
Trade receivables	26,659	25,902
Other receivables	13,137	13,167
Tax recoverable	1,589	1,115
Short term investments	138	138
Cash and bank balances	4,550	4,318
Assets held for sale	11,940	11,940
	<u>81,128</u>	<u>77,972</u>
<b>TOTAL ASSETS</b>	<u>180,228</u>	<u>178,700</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	64,645	64,645
Share premium	23,752	23,752
Other reserves	5,792	5,792
Retained earnings	(61,029)	(60,797)
	<u>33,160</u>	<u>33,392</u>
<b>Minority interests</b>	905	901
<b>Total equity</b>	<u>34,065</u>	<u>34,293</u>
<b>Non-current liabilities</b>		
Borrowings	2,533	3,114
Deferred tax liabilities	2,652	2,652
	<u>5,185</u>	<u>5,766</u>
<b>Current liabilities</b>		
Borrowings	98,259	97,802
Trade payables	10,760	8,669
Other payables	31,959	32,170
	<u>140,978</u>	<u>138,641</u>
<b>Total liabilities</b>	<u>146,163</u>	<u>144,407</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>180,228</u>	<u>178,700</u>
Net asset per share attributable to ordinary equity holder of the parent	0.51	0.52

The condensed consolidated balance sheet should be read in conjunction with the audited financial statement for the year ended 31st March 2009 and the accompanying explanatory notes attached to the interim financial statement

Quarterly report on consolidated results for the second financial quarter ended 30th September 2009Condensed Consolidated Cash Flow Statements for the second quarter ended 30th September 2009

(The figures have not been audited)

	6 months ended	
	As at 30th Sept 2009 RM'000	As at 30th Sept 2008 RM'000
Net cash in operating activities	(2,237)	(2,967)
Net cash used in investing activities	(957)	(2,183)
Net cash generated from financing activities	491	5,472
Net increase in cash and cash equivalents	(2,703)	322
Non-cash items	2,583	2,667
Effects of exchange rate changes	-	-
Cash and cash equivalents at beginning of financial period	(4,358)	(6,345)
Cash and cash equivalents at end of financial period	<u>(4,478)</u>	<u>(3,356)</u>

Cash and cash equivalents at the end of the financial period comprise the following:

Cash and bank balances	4,550	5,805
Bank overdrafts	(9,028)	(9,161)
	<u>(4,478)</u>	<u>(3,356)</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.

Quarterly report on consolidated results for the second financial quarter ended 30th September 2009

Condensed Consolidated Statements of Changes in Equity for the second quarter ended 30th September 2009

	Attributable to Equity Holders of the Parent					Total	Minority Interest	Total Equity
	Share capital	-----Non-Distributable-----						
		Share premium	Revaluation reserve	Other reserve	Accumulated losses			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
6 months ended 30th September 2008								
As at 1 April 2008	64,645	23,752	6,009	(133)	(59,175)	35,098	888	35,986
Movements during the period (cumulative)	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	591	591	39	630
At 30th September 2008	<u>64,645</u>	<u>23,752</u>	<u>6,009</u>	<u>(133)</u>	<u>(58,584)</u>	<u>35,689</u>	<u>927</u>	<u>36,616</u>
6 months ended 30th September 2009								
As at 1 April 2009	64,645	23,752	6,009	(217)	(60,797)	33,392	901	34,293
Movements during the period (cumulative)	-	-	-	-	-	-	-	-
Net loss for the period	-	-	-	-	(232)	(232)	4	(228)
At 30th September 2009	<u>64,645</u>	<u>23,752</u>	<u>6,009</u>	<u>(217)</u>	<u>(61,029)</u>	<u>33,160</u>	<u>905</u>	<u>34,065</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.

**EXPLANATORY NOTES : (AS PER FRS 134)****A1 Accounting policies**

The interim financial statements are unaudited and have been prepared under the historical cost convention in accordance with FRS134 "Interim Financial Reporting" and Chapter 9.22 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The accounting policies and methods used in preparing the quarterly financial statements are consistent and should be read in conjunction with the audited financial statements for the financial year ended 31<sup>st</sup> March 2008.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31<sup>st</sup> March 2009.

**A2 Changes in Accounting Policies**

The adoption of the revised FRS 101 has affected the presentation of minority interest. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statements, minority interests are presented as an allocation of the total loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognized income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interests.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited report financial statements for the year ended 31<sup>st</sup> March, 2009 except for the adoption of the following applicable new/ revised FRS effective for the financial period beginning 1 April, 2009:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS120	Accounting for Government Grants and Disclosure of Government Assistance
FRS134	Interim Financial Reporting
FRS137	Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS121:	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation

**A3 Declaration of audit qualification**

The audit report of the Company in respect of the annual financial statements for the year ended 31<sup>st</sup> March 2009 was not subject to any audit qualification.



**EXPLANATORY NOTES : (AS PER FRS 134)**

**A4 Segmental reporting**

Segmental analysis for the current financial year to-date

	Revenue (RM)	Profit/(Loss) From Operations (RM)
Manufacturing	33,194,191	3,031,203
Trading	18,951,113	1,416,439
Others	1,151,992	(180,320)
	<u>53,297,296</u>	<u>4,267,322</u>

**A5 Unusual items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

**A6 Changes in estimates**

There were no changes in estimates of amount used in our previous reporting having a material impact in the current reporting.

**A7 Seasonality or cyclical of operation**

The business of the Group is generally neither non-cyclical nor seasonal except for decreased activities during the festive season.

**A8 Dividend**

No dividend has been declared for the period.

**A9 Valuation of property, plant and equipment**

The valuation of property, plant and equipment have been brought forward, without amendment from the audited financial statements for the financial year ended 31st March 2009.

**A10 Issuances and repayments of debts and equity securities**

There were no changes in the equity structure of the company during this period.

There were no issuances and repayments of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

**A11 Changes in the composition of the Group**

Except for the above, there were no changes in the composition of the Group for the current quarter.



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**EXPLANATORY NOTES : (AS PER FRS 134)**

**A12 Contingent liabilities or contingent assets**

There were no contingent liabilities and contingent assets as at end of the reporting quarter other than as stated below:

Guarantee for loan facilities given to other investee company	USD 266,833
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**A13 Subsequent material events**

To the best knowledge of the Directors there is no transaction or event of a material or unusual nature occurring between 31st March, 2009 and the date of this announcement except for the Proposed Restructuring Scheme announced to Bursa Malaysia Securities Berhad on 6<sup>th</sup> October, 2009 by the advisor, Messrs Public Investment Bank Berhad for and behalf of the Company.



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**EXPLANATORY NOTES : (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)**

**B1 Review of the performance of the Company and its principal subsidiaries**

The Group recorded revenue of RM53.3 million and loss before tax of RM0.232 million as compared to a revenue of RM96.3 million and a profit before tax of RM1.089 million in the preceding year corresponding period.

**B2 Material changes in the quarterly results compared to the results of the immediate preceding quarter**

The revenue for the current financial quarter marginally increased to RM27.102 million and the loss before tax registered at RM 0.122 million compared to a revenue of RM26.195 million and a loss before tax of RM0.110 million during the preceding quarter.

**B3 Prospects of the current financial year**

As stated in the preceding quarter the prospects of the current financial year is expected to continue to be challenging.

**B4 Variance of actual profit from forecast profit**

This is not applicable to the Group.



**EXPLANATORY NOTES : (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)****B5 Taxation**

Taxation comprises :-

	Cumulative Quarters		
	Current Year Quarter 30/09/2009 RM'000	Current Year To Date 30/09/2009 RM'000	Preceding Year Corresponding Period 30/09/2008 RM'000
Current tax expense			
Current year	-	-	498
Over provision of Income tax expense in prior year	-	-	-
	-	-	498
Over provision of Deferred tax in prior year	-	-	-
	-	-	498

**B6 Profit on sale of unquoted investments and / or properties**

There was no sale of unquoted investments and properties respectively for the current financial year to date.

**B7 Purchase or disposal of quoted securities**

There was no purchase or disposal of quoted securities for the current financial year to date.

**B8 Status of corporate proposals**The Proposed Restructuring Exercise announced on 3<sup>rd</sup> July 2008 is still ongoing and awaiting the approval of major creditor banks.

**EXPLANATORY NOTES : (AS PER BURSA SECURITIES LISTING REQUIREMENT – PART A OF APPENDIX 9B)****B9 Group borrowings and debt securities**

There were no bank borrowings (other than as detailed below) and debt securities as at the end of the reporting period.

	Short Term RM '000	Long Term RM '000
Secured		
Bank overdraft	9,028	-
Bankers' acceptances	41,830	-
Term loan	35,151	1,805
Revolving credit	12,250	-
Hire Purchase Loan	-	728
	<u>98,259</u>	<u>2,533</u>

**B10 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk as at the date of this announcement.

**B11 Material litigation**

There is no material litigation pending as at the date of this announcement.

**B12 Dividend**

The Board of Directors of the Company has not recommended any dividend in the financial year to date.

**B13 Earnings per share****(i) Basic earnings per ordinary share**

The earnings per share is calculated by dividing the net loss attributable to shareholders of RM 227,934 by the number of ordinary shares in issue during the current quarter of 64,644,965.

**(ii) Diluted earnings per ordinary share**

The diluted earnings per share is not presented as the assumed conversion of potential ordinary share are anti-dilutive.