

NOTES TO THE QUARTERLY REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2008

A1. Basis of preparation

The Interim Financial Report is unaudited and has been prepared in compliance with the Financial Reporting Standard (“FRS”) 134 : Interim Financial Reporting issued by Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and shall be read in conjunction with the Group’s annual audited financial statements for the year ended 31 December 2007.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007 except for the adoption of the following new/revised FRSs effective for the financial period beginning 1 January 2008:

FRS 107, *Cash Flow Statements*

FRS 111, *Construction Contracts*

FRS 112, *Income Taxes*

FRS 118, *Revenue*

Amendment to FRS 121, *The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation*

FRS 134, *Interim Financial Reporting*

FRS 137, *Provisions, Contingent Liabilities and Contingent Assets*

The adoption of these new/revised FRSs is not expected to have any significant financial impact on the financial statements of the Group upon their initial application.

A2. Auditors’ report

The annual auditors’ report of the audited financial statements for the year ended 31 December 2007 was not subject to any qualification.

A3. Seasonal or cyclical of operations

The business of the Group was not significantly affected by any seasonal or cyclical factors.

A4. Extraordinary and exceptional items

There were no exceptional items and unusual events affecting the assets, liabilities, equity, net income and cash flows for the current quarter.

A5. Changes in estimates

There were no material changes in estimated amount reported in prior period which have a material effect on the current financial year-to-date.

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A6. Debt and equity securities

There were no issuance and repayment of debt and share buy-backs for the financial year-to-date.

As at 30 June 2008, a total of 2,520,200 shares were held as treasury shares at cost in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965. None of the treasury shares repurchased has been sold or cancelled.

A7. Dividend

The final dividend of 4% less tax totaling RM1,184,000.00 for the financial year ended 31 December 2007 was paid to shareholders on 28 July 2008.

A8. Segmental information

Segmental information is presented in respect of the Group's business segment.

The Group comprises the following main business segments:

Manufacturing & trading : Manufacture of aluminium ladders and other related products, and marketing and trading of aluminium products and other products.

Construction & fabrication : Contracting, designing and fabrication of aluminium curtain wall and cladding system.

	Manufacturing & trading RM'000	Construction & fabrication RM'000	Elimination RM'000	Total RM'000
<u>6 months ended</u>				
<u>30 June 2008</u>				
Revenue from external customers	85,837	75,759		161,596
Inter-segment revenue	13	-	(13)	-
Total revenue	85,850	75,759	(13)	161,596
Segment result	3,531	4,008		7,539
Finance cost				(2,345)
Share of profit in associated company				122
Tax expense				(1,528)
Profit for the period				3,788
Segment assets	142,930	157,008	(25,485)	274,453
Segment liabilities	95,344	121,289	(26,006)	190,627

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A9. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements, as the Group does not adopt a revaluation policy for its property, plant and equipment.

A10. Material events subsequent to the balance sheet date

There were no material subsequent events since the end of the current quarter to the date of issue of this report that have not been reflected in the financial statements for the current quarter and financial year-to-date.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12. Contingent liabilities

There were no material changes in contingent liability as at the date of this quarterly report.

A13. Capital commitments

As at 30 June 2008, the Group has the following known commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	<u>18,768</u>

Additional Information Required by the Listing Requirements of Bursa Securities

B1. Review of performance

For the current quarter under review, the Group recorded revenue of RM88.8 million, representing an increase of 7% as compared to RM83.0 million recorded in the preceding year quarter. The increase was mainly due to higher revenue contribution from manufacturing and trading business segment.

As compared to the preceding year quarter, the Group's profit before tax ("PBT") decreased by 17% from RM3.3 million to RM2.7 million which was mainly attributable to higher operating cost from manufacturing and trading segment.

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B2. Variation of results against preceding quarter

The Group's revenue increased by RM15.9 million from RM72.8 million recorded in the preceding quarter which was attributable to higher revenue contribution from both construction and fabrication and manufacturing and trading business segments.

In tandem with the higher revenue, the Group's PBT increased by 5% from RM2.6 million to RM2.7 million.

B3. Current year prospects

Despite the escalation in material prices and the uncertain economic outlook, the Board is confident of achieving satisfactory results for the financial year ending 31 December 2008 with the implementation of appropriate marketing strategies and stringent cost control.

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Taxation

	Quarter Ended 30/06/08 RM'000	Current Year To-date RM'000
Current income tax	<u>796</u>	<u>1,528</u>

The Group's effective tax rate for the financial year-to-date under review is approximately 28.7%, slightly higher than the prima facie tax rate, which was mainly due to the non-deductibility of certain expenses.

B6. Profit / (loss) on disposal of unquoted investments and properties

There were no disposals of unquoted investments or properties for the financial year-to-date except for the disposal of a leasehold property by its subsidiary company, PMB Central Sdn Bhd as announced on 9 May 2008.

This property was classified as non-current asset held for sale and the gain on disposal will only be recognized upon the completion of the transaction.

B7. Purchases or Disposals of Quoted Securities

There were no purchases or disposals of any quoted securities during the financial year-to-date.

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B8. Status of Corporate Proposals Announced

Proposed Establishment of an Employee Share Option Scheme (“Proposed ESOS”)

The Proposed ESOS of up to 15% of the Issued and Paid-up Share Capital of the Company was approved at the Extraordinary General Meeting held on 20 June 2005 but pending implementation.

Save for the above, there were no other corporate proposals announced but pending implementation during the financial quarter.

B9. Group borrowings and debt securities as at 30 June 2008

	<u>Secured</u> (RM'000)	<u>Unsecured</u> (RM'000)	<u>Total</u> (RM'000)
(a) (i) Short term			
Overdraft	-	5,119	5,119
Revolving credit	-	10,218	10,218
Trade facilities	-	75,698	75,698
Term loan	<u>589</u>	<u>-</u>	<u>589</u>
	589	91,035	91,624
Term loan - Liability attributable to non-current assets held for sale	<u>149</u>	<u>-</u>	<u>149</u>
	<u>738</u>	<u>91,035</u>	<u>91,773</u>
(ii) Long term			
Term loan	9,821	-	9,821
Term loan - Liability attributable to non-current assets held for sale	<u>2,343</u>	<u>-</u>	<u>2,343</u>
	<u>12,164</u>	<u>-</u>	<u>12,164</u>
Total	<u>12,902</u>	<u>91,035</u>	<u>103,937</u>

(b) Foreign currency bank borrowings

Foreign currency bank borrowings that denominated in Hong Kong Dollar (“HKD”) included in the above borrowings are as follows:

	<u>HKD'000</u>	<u>RM'000</u> <u>Equivalent</u>
Revolving credit	22,000	9,218
Trade facilities	<u>29,924</u>	<u>12,538</u>
	<u>51,924</u>	<u>21,756</u>

B10. Financial Instruments with off Balance Sheet Risk

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

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B11. Material Litigation

There were no changes in the Group's material litigations since the last audited financial statements for the financial year ended 31 December 2007.

B12. Dividend

There was no dividend proposed during the current financial year-to-date.

B13. Earnings Per Share

	<u>Current quarter</u>	<u>Year to-date</u>
Basic earnings per share		
Net profit attributable to the equity holders of the parent (RM'000)	1,943	3,788
<i>Weighted average number of ordinary shares of RM0.50 each in issue - net of treasury shares held ('000)</i>		
Issued at the beginning of the period	77,480	77,480
Basic earnings per share (sen)	<u>2.51</u>	<u>4.89</u>

On behalf of the Board

Dato' Koon Poh Keong
Chairman

21 August 2008