

NOTES TO THE QUARTERLY REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 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 September 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 RM1,146,701.00 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>9 months ended</u>				
<u>30 September 2008</u>				
Revenue from external customers	129,268	110,142		239,410
Inter-segment revenue	333	307	(640)	-
Total revenue	129,601	110,449	(640)	239,410
Profit from operation	6,416	4,853		
Other operating income	2,843	158		
Segment result	9,259	5,011		14,270
Finance cost				(3,608)
Share of loss in associated company				(117)
Tax expense				(2,608)
Profit for the period				7,937
Segment assets	135,733	146,801	(23,134)	259,400
Segment liabilities	84,998	109,646	(23,654)	170,990

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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 September 2008, the Group has the following known commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	<u>17,504</u>

Additional Information Required by the Listing Requirements of Bursa Securities

B1. Review of performance

For the quarter under review, the Group achieved revenue of RM 77.8 million representing a slight increase of 1.2% as compared to the preceding year's corresponding quarter of RM76.9 million which was mainly due to higher revenue contribution from construction and fabrication business segment.

As compared to the preceding year's corresponding quarter, the Group's profit before tax ("PBT") increased by RM2.1 million or 68% from RM3.1 million to RM5.2 million. The increase was mainly attributable to the gain of RM2.4 million on the disposal of a property which was included in other operating income for the current quarter under review.

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B2. Variation of results against preceding quarter

The Group's revenue decreased by 12% from RM88.8 million recorded in the preceding quarter which was attributable to lower revenue contribution from both construction and fabrication and manufacturing and trading business segments.

Despite lower revenue, the Group managed to achieve PBT of RM 5.2 million, representing an increase of RM2.5 million or 91% which was mainly due to the gain of RM2.4 million on the disposal of a property recorded in the current quarter.

B3. Current year prospects

Given the weak economic outlook, the business environment is expected to be challenging. In spite of that, the Group is expected to achieve a satisfactory performance for the financial year ending 31 December 2008 with more stringent cost cutting measures and appropriate marketing strategies.

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Taxation

	Quarter Ended 30/09/08 <u>RM'000</u>	Current Year To-date <u>RM'000</u>
Current income tax	<u>1,080</u>	<u>2,608</u>

The Group's effective tax rate for the financial year-to-date under review is approximately 24.7% which is equivalent to the prima facie tax rate.

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 resulting in a gain on disposal of RM2.4 million.

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 September 2008

	<u>Secured</u> <u>(RM'000)</u>	<u>Unsecured</u> <u>(RM'000)</u>	<u>Total</u> <u>(RM'000)</u>
(a) (i) Short term			
Overdraft	-	4,733	4,733
Revolving credit	-	10,790	10,790
Trade facilities	-	69,936	69,936
Term loan	670	-	670
	<u>670</u>	<u>85,459</u>	<u>86,129</u>
 (ii) Long term			
Term loan	<u>9,674</u>	<u>-</u>	<u>9,674</u>
 Total	<u>10,344</u>	<u>85,459</u>	<u>95,803</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	9,790
Trade facilities	30,751	13,684
	<u>52,751</u>	<u>23,474</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.

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.

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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)	4,149	7,937
<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>5.35</u>	<u>10.24</u>

On behalf of the Board

Dato' Koon Poh Keong
Chairman

27 November 2008