

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

PART A :EXPLANATORY NOTES PURSUANT TO FRS 134

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 2010.

Changes in Accounting Policies

The significant accounting policies applied in this interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2010 except for the adoption of the following new FRSs, Amendments to certain FRSs and IC Interpretations for financial period beginning on 1 January 2011:

FRS 1	First-time Adoption of Financial Reporting Standards (revised)
FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statements (revised)
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopter
Amendments to FRS 2	Additional Exemption for First-time Adopters Share-based Payment Group Cash-settled Share Based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation – Classification of Rights Issues
Amendment to FRS 138	Intangible Assets
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Agreements (Not applicable to the Group)
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Improvements to FRSs (2010)	

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

A1. Basis of preparation (continued)

Changes in Accounting Policies (continued)

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impacts to the financial statements upon their first adoption.

FRS yet to be effective

As at the date of this report, The Group has yet to apply the following FRSs which were issued but not yet effective:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, Related Party Disclosures (revised)
- IC Interpretation 15, Agreements for the Construction of Real Estate (Not applicable to the Group)

A2. Auditors' report

The annual auditors' report of the audited financial statements for the year ended 31 December 2010 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.

**NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011**

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 31 March 2011, 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

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

A8. Segmental information

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

The Group comprises the following main business segments:

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

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

	Manufacturing & trading RM'000	Construction & fabrication RM'000	Elimination RM'000	Total RM'000
<u>3 months ended 31 March 2011</u>				
Revenue from external customers	40,311	21,090		61,401
Inter-segment revenue	883	-	(883)	-
Total revenue	41,194	21,090	(883)	61,401
Segment result	1,726	1,305		3,031
Finance cost				(1,048)
Tax expense				(532)
Profit for the period				1,451
Segment assets	202,204	136,490	(83,051)	255,643
Segment liabilities	103,698	97,715	(44,089)	157,324

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.

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

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 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 31 March 2011, the Group has the following known commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	<u>1,401</u>

A14. Related Party Transactions

	<u>Current year to-date</u>
<u>The Group</u>	RM'000
With the affiliated companies - Press Metal Berhad Group	
Purchase of aluminium products	<u>30,114</u>
Sale of fabricated aluminium products and building materials	<u>19,596</u>

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of performance

For the current quarter under review, the Group's revenue increased by approximately 40% to RM61.4 million from RM43.8 million recorded in the preceding year's corresponding quarter. The increase was mainly due to the higher revenue contribution from both business segments.

The Group's profit before tax ("PBT") increased by 16% from RM1.7 million to RM2.0 million due to higher revenue recorded in the current quarter.

B2. Variation of results against preceding quarter

As compared to the preceding quarter, the decrease in revenue by 8% from RM67.1 million to RM61.4 million was mainly attributable to lower revenue contribution from the construction and fabrication business segment. Accordingly, the Group's PBT has decreased from RM2.5 million to RM1.5 million.

B3. Current year prospects

Moving forward, the global recovery is expected to continue. However, the global business environment is expected to remain challenging in view of the rising inflationary pressure from high commodity and fuel prices and the fluctuation in foreign currencies.

The growth of the domestic economy is expected to be sustained, driven by the continued expansion in private consumption and the increase in private investment. Barring any unforeseen circumstances, the Group is expected to achieve satisfactory results for the financial year ending 31 December 2011.

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Taxation

	Quarter Ended 31/3/11	Current Year To-date
	RM'000	RM'000
Current income tax	<u>532</u>	<u>532</u>

The Group's effective tax rate for the financial year-to-date under review is 27%, slightly higher than the prima facie tax rate.

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

B6. Retained Earnings

	As at 31/03/2011	As at 31/12/2010
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:		
Realised	93,254	91,656
Unrealised	(3,948)	(3,948)
	<u>89,306</u>	<u>87,708</u>
Consolidation Adjustments	(30,319)	(30,172)
Total Group retained earnings as per consolidated accounts	<u>58,987</u>	<u>57,536</u>

B7. Profit / (loss) on disposal of unquoted investments and properties

There were no disposals of unquoted investments or properties for the financial year-to-date.

B8. Purchases or Disposals of Quoted Securities

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

B9. 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.

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

B10. Group borrowings and debt securities as at 31 March 2011

	<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	-	5,591	5,591
Revolving credit	-	5,668	5,668
Trade facilities	-	79,356	79,356
Term loan	720	-	720
	<u>720</u>	<u>90,615</u>	<u>91,335</u>
(ii) Long term			
Term loan	<u>4,068</u>	-	<u>4,068</u>
Total	<u><u>4,788</u></u>	<u><u>90,615</u></u>	<u><u>95,403</u></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>
Overdraft	817	318
Revolving credit	12,000	4,668
Trade facilities	<u>19,547</u>	<u>7,604</u>
	<u><u>32,364</u></u>	<u><u>12,590</u></u>

B11. 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.

B12. Material Litigation

There was no material litigation against the Group as at the reporting date.

B13. Dividend

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

NOTES TO THE QUARTERLY REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

B14. 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)	1,451	1,451
<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>1.87</u>	<u>1.87</u>

On behalf of the Board

Koon Poh Ming
Chief Executive Officer
30 May 2011