

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

|  | <b>Group<br/>As at<br/>31.3.2008<br/><br/>RM'000</b> | <b>Group<br/>As at<br/>31.12.2007<br/>audited<br/>RM'000</b> |
|--|--|--|
| <b>ASSETS</b>  |  |  |
| <b>Non-current assets</b>  |  |  |
| Property, plant and equipment  | 66,709   | 59,046   |
| Prepaid lease payments for land  | 1,327  | 1,327  |
| Investment property  | 178  | 178  |
| Goodwill   | 3,186  | 3,186  |
| Deferred tax assets  | 448  | 448  |
|  | <b>71,848</b>  | <b>64,185</b>  |
| <b>Current assets</b>  |  |  |
| Inventories  | 30,111   | 26,082   |
| Trade and other receivables  | 43,822   | 42,029   |
| Tax recoverable  | 297  | 677  |
| Fixed deposits with licensed banks   | 6,405  | 9,478  |
| Cash and Bank Balances   | 4,838  | 6,882  |
|  | <b>85,473</b>  | <b>85,148</b>  |
| <b>TOTAL ASSETS</b>  | <b>157,321</b>                                       | <b>149,333</b>   |
| <b>EQUITY AND LIABILITIES</b>  |  |  |
| Share capital  | 42,008   | 42,008   |
| Reserves   | 2,693  | 2,693  |
| Retained profits   | 14,671   | 13,745   |
| <b>Total capital and reserves attributable to equity holders of the parent</b> | <b>59,371</b>  | <b>58,446</b>  |
| Minority interests   | 3,016  | 3,132  |
| <b>Total equity</b>  | <b>62,387</b>  | <b>61,578</b>  |
| <b>Non-current liabilities</b>   |  |  |
| Long-term bank borrowings  | 17,074   | 17,198   |
| Hire purchase and lease creditors  | 5,080  | 1,735  |
| Deferred tax   | 2,529  | 2,529  |
| <b>Total non-current liabilities</b>   | <b>24,683</b>  | <b>21,462</b>  |
| <b>Current liabilities</b>   |  |  |
| Trade and other payables   | 16,176   | 15,062   |
| Hire purchase and lease creditors  | 1,511  | 623  |
| Short-term borrowings  | 51,291   | 49,411   |
| Current portion of long-term loans   | 808  | 929  |
| Tax liabilities  | 465  | 268  |
| <b>Total current liabilities</b>   | <b>70,251</b>  | <b>66,293</b>  |
| <b>Total liabilities</b>   | <b>94,934</b>  | <b>87,755</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>157,321</b>                                       | <b>149,333</b>   |
| Net Assets Per Share (RM)  | 0.71   | 0.70   |

*The above Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**

|                                 | 3 months ended |              | Year to date ended |              |
|---------------------------------|----------------|--------------|--------------------|--------------|
|                                 | 31.3.2008      | 31.3.2007    | 31.3.2008          | 31.3.2007    |
|                                 | RM'000         | RM'000       | RM'000             | RM'000       |
| Revenue                         | 28,193         | 18,799       | 28,193             | 18,799       |
| Other expenses                  | (381)          | (60)         | (381)              | (60)         |
| Other income                    | 294            | 137          | 294                | 137          |
| Finance costs                   | (1,255)        | (953)        | (1,255)            | (953)        |
| Profit / (Loss) before taxation | 1,018          | (923)        | 1,018              | (923)        |
| Taxation                        | (208)          | -            | (208)              | -            |
| Profit / (Loss) for the period  | <b>810</b>     | <b>(923)</b> | <b>810</b>         | <b>(923)</b> |
| Attributable to:                |                |              |                    |              |
| Equity holders of the parent    | 926            | (740)        | 926                | (740)        |
| Minority interest               | (116)          | (183)        | (116)              | (183)        |
| Profit / (Loss) for the period  | <b>810</b>     | <b>(923)</b> | <b>810</b>         | <b>(923)</b> |
| Earning / (Loss) per share      |                |              |                    |              |
| - basic (sen)                   | 1.10           | (0.92)       | 1.10               | (0.92)       |
| - diluted (sen)                 | *              | *            | *                  | *            |

\* Diluted earnings per ordinary share are not presented for the financial year as there is an anti-dilutive effect on the conversion of all dilutive potential ordinary shares into ordinary shares.

*The above Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

|  | <b>3 months ended</b> |                  |
|--|-----------------------|------------------|
|  | <b>31.3.2008</b>      | <b>31.3.2007</b> |
|  | <b>RM'000</b>         | <b>RM'000</b>    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                  |                       |                  |
| Profit/(Loss) before tax                                     | 1,018                 | (923)            |
| Adjustments for non-cash and non operating items             | 2,354                 | 1,915            |
| Operating profit / (loss) before working capital changes     | 3,372                 | 992              |
| Changes in working capital                                   |                       |                  |
| Net changes in current assets                                | (6,046)               | (7,748)          |
| Net changes in current liabilities                           | 1,001                 | 2,364            |
| Taxation paid  | 368                   | 8                |
| <b>Net cash outflow from operating activities</b>            | <b>(1,304)</b>        | <b>(4,384)</b>   |
| <b>Net cash (outflow) / inflow from investing activities</b> | <b>(4,297)</b>        | <b>(1,343)</b>   |
| <b>Net cash inflow from financing activities</b>             | <b>183</b>            | <b>3,950</b>     |
| <b>(Decrease) / Increase in cash and cash equivalents</b>    | <b>(5,418)</b>        | <b>(1,777)</b>   |
| <b>Opening cash and cash equivalents</b>                     | <b>10,982</b>         | <b>8,485</b>     |
| <b>Effect of exchange rate changes</b>                       | <b>1</b>              | <b>(2)</b>       |
| <b>Closing cash and cash equivalents</b>                     | <b>5,565</b>          | <b>6,706</b>     |

*The above Consolidated Cash flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

|                                  | Share<br>Capital<br>RM'000 | Share premium<br>& other capital<br>reserve<br>RM'000 | Translation<br>reserve<br>RM'000 | Retained<br>profits<br>RM'000 | Sub-total<br>RM'000 | Minority<br>interest<br>RM'000 | Total<br>RM'000 |
|----------------------------------|----------------------------|---|----------------------------------|-------------------------------|---------------------|--------------------------------|-----------------|
| <b>At 1 January 2008</b>         | 42,008                     | 2,893   | (201)                            | 13,745                        | 58,445              | 3,132                          | 61,577          |
| Profit for the period            |                            |   |                                  | 926                           | 926                 | (116)                          | 810             |
| <b>At 31 March 2008</b>          | 42,008                     | 2,893   | (201)                            | 14,671                        | 59,371              | 3,016                          | 62,387          |
| <b>At 1 January 2007</b>         | 40,008                     | 2,893   | (1)                              | 9,152                         | 52,052              | 3,563                          | 55,615          |
| Acquisition of subsidiary        |                            |   | (200)                            |                               | (200)               | 242                            | 43              |
| Currency translation differences |                            |   |                                  |                               | -                   |                                | -               |
| Profit for the period            | -                          | -   | -                                | 4,593                         | 4,593               | (674)                          | 3,919           |
| Dividend                         | -                          | -   | -                                |                               | -                   | -                              | -               |
| Issue of shares                  | 2,000                      |   |                                  |                               | 2,000               |                                | 2,000           |
| <b>At 31 December 2007</b>       | 42,008                     | 2,893   | (201)                            | 13,745                        | 58,445              | 3,132                          | 61,577          |

*The above Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007.*

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT**

A1. Basis of Preparation and Accounting Policies

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard (FRS) Standard No. 134 - Interim Financial Reporting and paragraph 9.22 and Appendix 9B of The Bursa Malaysia Listing Requirements and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2007.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2007 except for the the following new/revised FRSs in Malaysia which were issued on 1 July 2007 and adopted by the Group, where applicable effective for the financial period beginning 1 January 2008.

|         |  |
|---------|--|
| FRS 107 | Cash Flow Statements                                   |
| FRS 112 | Income Taxes   |
| FRS 118 | Revenue  |
| FRS 134 | Interim Financial Reporting                            |
| FRS 137 | Provisions, Contigent Liabilities and Contigent Assets |

The adoption of the above standards does not have significant financial impact on the Group.

A2. Auditors' Report

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

A3. Seasonal/Cyclical Factors

The operations of the Group were not materially affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual and extraordinary items for the financial period under review.

A5. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial years which have a material effect in the financial period under review.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT**

A6. Debt or Equity Securities

The total number of unexercised share options as at 31 March 2007 was 11,938,000 and there were no further exercise of any share from 31 March 2008 up to the date of this report.

There were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period under review.

A7. Dividend Paid

There were no dividends paid during the current quarter.

A8. Segmental Reporting

Segmental information for the financial period ended 31 March 2008:-

| Revenue                             | External<br>RM'000 | Inter-segment<br>RM'000 | Total<br>RM'000 |
|-------------------------------------|--------------------|-------------------------|-----------------|
| Trading                             | 22,510             | -                       | 22,510          |
| Manufacturing                       | 5,683              | 18,973                  | 24,656          |
| Elimination : Inter-segment Revenue | -                  | (18,973)                | (18,973)        |
| Total revenue                       | 28,193             | -                       | 28,193          |

RESULTS

|                                 | Total<br>RM'000 |
|---------------------------------|-----------------|
| Trading                         | 999             |
| Manufacturing                   | 234             |
| Others                          | (214)           |
| Profit before taxation          | 1,018           |
| Taxation                        | (208)           |
| Profit for the financial period | 810             |

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendments from the preceding annual financial statements.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT**

A10. Material Subsequent Events

There were no material events subsequent to the current quarter ended 31 December 2007 up to the date of this announcement which is likely to substantially affect the results of the operations of the Group.

A11. Changes in Composition of the Group

There were no material changes in the composition of the Group during the financial period to-date.

A12. Contingent Liabilities

The Company has given corporate guarantees amounting to RM49.56 million to licensed banks for banking facilities granted to certain subsidiary companies. Consequently, the Company is contingently liable for the amount of banking facilities utilized by these subsidiary companies totaling RM26.32 million as at 31 March 2008.

A13. Capital Commitments

No capital commitments as at the date of report.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S**  
**LISTING REQUIREMENTS**

B1. Review of Performance

The Group recorded 50% increase in revenue to RM28.19 million for the current quarter ended 31 March 2008 as compared to previous year corresponding quarter of RM18.80 million. The Group registered a profit before tax of RM1.02 million for the current quarter as compared to a loss before taxation of RM0.92 million recorded in first quarter 2007.

B2. Comparison with Preceding Quarter's Results

The Group registered a 0.64% increase in revenue to RM28.19 million for the current quarter as compared to RM28.01 million registered in preceding quarter. The Group registered a profit before taxation for the current quarter of RM1.02 million as compared to RM2.29 million in the preceding quarter.

B3. Prospects

Business condition was favourable during the first quarter 2008 and in view of the potential for export and projects under Ninth Malaysia Plan, the demand for the Group's products are expected to continue to improve in financial year 2008.

The Group will continue with its various marketing initiatives and strategies and effective cost management measures to further improve the Group's results.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

|                       | Year Ended<br>31.03.2007<br>RM '000 | Year Ended<br>31.03.2007<br>RM '000 |
|-----------------------|-------------------------------------|-------------------------------------|
| Current Year Taxation |                                     |                                     |
| - in Malaysia         | 208                                 |                                     |
| - Outside Malaysia    | -                                   |                                     |
|                       | <u>208</u>                          | <u>-</u>                            |

The Group's effective tax rate in current year is lower than the statutory rate due to the utilization of the brought forward capital allowances, reinvestment allowances and unabsorbed tax losses.



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008  
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S  
LISTING REQUIREMENTS**

B6. Sale of Investments and/or Properties

There were no profits on sale of investments and/or properties in the current financial quarter and financial year to-date.

B7. Quoted Securities

There was no purchase or disposal of quoted securities in the current financial quarter under and financial year to-date.

B8. Status of Corporate Proposal

Proposed Private Placement

On 2 November 2007, the Company announced a proposed private placement of up to 10% of the Company's issued and paid-up share capital. The approval from the Securities Commission has been obtained vide its letter dated 9 November 2007.

The first tranche of private placement involving 4,000,000 ordinary shares of RM0.50 was allotted and issued on 30 November 2007.

On 30 April 2008, the Company has obtained approval from the Securities Commission for the extension of time to 8 November 2008 to implement the private placement.

Proposed Acquisition of 51% Equity Interest In Carimin Sdn Bhd

Proposed Waiver from Mandatory General Offer

Proposed Secondary Placement

Proposed Increase in the Authorised Share Capital of the Company

On 27 November 2007, the Company announced that it had entered in a conditional sale and purchase agreement with vendors of Carimin Sdn Bhd ("CSB"), namely Cipta Pantas Sdn Bhd and Mokhtar Bin Hashim to acquire 510,000 ordinary shares of RM1.00 each in CSB representing 51% equity interest in CSB for a purchase consideration of RM25,000,000 to be satisfied wholly by the issuance of 51,000,000 new ordinary shares of RM0.50 each in the Company at an issue price of RM0.50 per share.

In addition, the Company is proposing to increase its authorised share capital from RM50,000,000 comprising 100,000,000 EKIB shares to RM100,000,000 comprising 200,000,000 EKIB shares by way of creation of an additional 100,000,000 EKIB shares.

On 26 February 2008, the Company announced to extend the timeline for submission of the applications pertaining to the Proposals to the relevant authorities for a further three months from 26 February 2008.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S**  
**LISTING REQUIREMENTS**

B9. Borrowings

The Group's borrowings as at 31 March 2008 were as follows:

|                            |                                 |  | As at 31.03.2008 |
|----------------------------|---------------------------------|--|------------------|
|                            |                                 |  | RM'000           |
| Secured                    |                                 |  |                  |
| Short Term borrowings      | denominated in Ringgit Malaysia |  | 52,099           |
| Short Term - Hire purchase | denominated in Ringgit Malaysia |  | 1,511            |
| Long Term borrowings       | denominated in Ringgit Malaysia |  | 17,074           |
| Long Term - Hire Purchase  | denominated in Ringgit Malaysia |  | 5,080            |
| Total                      |                                 |  | <u>75,764</u>    |

B10. Off Balance Sheet Financial Instruments

As at the date of this report, the Group had entered into the following outstanding foreign currency contracts to hedge its foreign currencies commitment :-

| Currency | Contract Type | Contract Amount FC'000 | Contract Period       | Outstanding Contract Amount |        |
|----------|---------------|------------------------|-----------------------|-----------------------------|--------|
|          |               |                        |                       | FC'000                      | RM'000 |
| USD      | Sell          | 193                    | 15/05/2008-17/11/2008 | 193                         | 620    |
| EURO     | Buy           | 15                     | 25/04/2008-15/06/2008 | 15                          | 75     |
| EURO     | Buy           | 30                     | 25/04/2008-16/06/2008 | 30                          | 151    |
| USD      | Sell          | 69                     | 10/03/2008-30/06/2008 | 41                          | 130    |
| USD      | Sell          | 250                    | 24/04/2008-24/07/2008 | 250                         | 786    |
| USD      | Sell          | 300                    | 24/04/2008-25/08/2008 | 300                         | 943    |

The Group does not foresee any significant credit and market risks associated with the above forward exchange contract as it is entered into with approved financial institutions.

There is no cash requirement for the above forward exchange contract.

The Group is exposed to currency risk as a result of the Group's transactions with trade receivables and payables. The Group uses foreign exchange contracts to hedge certain exposure. These contracts are short-term in nature and as such, the Group does not calculate the difference between the contract rates and the spot rates and therefore do not take up the difference in the Income Statement for the current financial period.

B11. Material Litigations

As at the date of this report, the Group is not engaged in any litigation which might materially affect the position of the Group.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2008**  
**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S**  
**LISTING REQUIREMENTS**

B12. Dividend

The Board does not recommend any dividend for the financial quarter under review.

B13. Profit/(loss) Per Share

Basic profit/(loss) per share of the Group is calculated by dividing the net profit/(loss) for the financial period by the weighted average number of shares in issue during the period.

|   | <u>3 months ended</u> |           | <u>3 months ended</u> |           |
|---|-----------------------|-----------|-----------------------|-----------|
|   | 31.3.2008             | 31.3.2007 | 31.3.2008             | 31.3.2007 |
| Profit/(loss) attributable to equity holders of the parent (RM'000) | 926                   | (740)     | 926                   | (740)     |
| Weighted average number of shares in issue ('000)                   | 84,016                | 80,016    | 84,016                | 80,016    |
| Basic profit/(loss) per share (sen)                                 | 1.10                  | (0.92)    | 1.10                  | (0.92)    |

\* Diluted earnings per ordinary share are not presented for the financial year as there is an anti-dilutive effect on the conversion of all dilutive potential ordinary shares into ordinary shares.