

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

	Group As at 31.12.2008 RM'000	Group As at 31.12.2007 audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	71,155	59,046
Prepaid lease payments for land	1,270	1,327
Investment property	175	178
Goodwill	3,186	3,186
Deferred tax assets	-	448
	75,786	64,185
Current assets		
Inventories	31,397	26,082
Trade and other receivables	41,971	42,029
Tax recoverable	1,792	677
Fixed deposits with licensed banks	12,132	9,478
Cash and Bank Balances	13,299	6,882
	100,591	85,148
TOTAL ASSETS	176,377	149,333
EQUITY AND LIABILITIES		
Share capital	42,008	42,008
Reserves	2,623	2,693
Retained profits	24,477	13,745
Total capital and reserves attributable to equity holders of the parent	69,108	58,446
Minority interests	2,575	3,132
Total equity	71,683	61,578
Non-current liabilities		
Long-term bank borrowings	11,788	17,198
Hire purchase and lease creditors	2,604	1,735
Deferred tax	3,182	2,529
Total non-current liabilities	17,574	21,462
Current liabilities		
Trade and other payables	19,481	15,062
Hire purchase and lease creditors	4,172	623
Short-term borrowings	55,788	49,411
Current portion of long-term loans	5,451	929
Tax liabilities	2,228	268
Total current liabilities	87,120	66,293
Total liabilities	104,694	87,755
TOTAL EQUITY AND LIABILITIES	176,377	149,333
Net Assets Per Share (RM)	0.82	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 DECEMBER 2008
 CONDENSED CONSOLIDATED INCOME STATEMENTS**

	3 months ended		Year to date ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	38,184	28,015	150,373	102,940
Other expenses	(476)	(889)	(1,860)	(1,283)
Other income	1,050	1,196	2,749	2,713
Finance costs	(1,288)	(1,128)	(5,300)	(4,195)
Profit / (Loss) before taxation	3,666	2,289	13,281	5,213
Taxation	(1,480)	(1,305)	(3,105)	(1,294)
Profit / (Loss) for the period	2,186	984	10,176	3,919
Attributable to:				
Equity holders of the parent	2,278	1,205	10,733	4,593
Minority interest	(92)	(221)	(557)	(674)
Profit / (Loss) for the period	2,186	984	10,176	3,919
Earning / (Loss) per share				
- basic (sen)	2.71	1.48	12.77	5.72
- 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 DECEMBER 2008
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	12 months ended	
	31.12.2008	31.12.2007
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	13,281	5,213
Adjustments for non-cash and non operating items	12,993	9,160
Operating profit / (loss) before working capital changes	26,274	14,373
Changes in working capital		
Net changes in current assets	(7,779)	(21,065)
Net changes in current liabilities	3,742	5,284
Taxation paid	(1,159)	(249)
Net cash inflow/(outflow) from operating activities	21,078	(1,657)
Net cash outflow from investing activities	(9,552)	(4,991)
Net cash inflow from financing activities	(428)	9,145
Increase/(Decrease) in cash and cash equivalents	11,098	2,497
Opening cash and cash equivalents	10,982	8,485
Effect of exchange rate changes	9	-
Closing cash and cash equivalents	22,089	10,982

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 DECEMBER 2008
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Share premium & other capital reserve RM'000	Translation reserve RM'000	Retained profits RM'000	Sub-total RM'000	Minority interest RM'000	Total RM'000
At 1 January 2008	42,008	2,893	(201)	13,745	58,445	3,132	61,577
Profit for the period	-	-	(69)	10,732	10,663	(557)	10,106
At 31 December 2008	42,008	2,893	(270)	24,477	69,108	2,575	71,683
At 1 January 2007	40,008	2,893	(1)	9,152	52,052	3,563	55,615
Acquisition of subsidiary	-	-	(200)	-	(200)	242	43
Profit for the period	-	-	-	4,593	4,593	(674)	3,919
Dividend	-	-	-	-	-	-	-
Issue of shares	2,000	-	-	-	2,000	-	2,000
At 31 December 2007	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 DECEMBER 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 DECEMBER 2008
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A6. Debt or Equity Securities

The total number of unexercised share options as at 31 December 2008 was 11,551,000 and there were no further exercise of any share from 31 December 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 December 2008:-

Revenue	External RM'000	Inter-segment RM'000	Total RM'000
Trading	109,064	-	109,064
Manufacturing	41,309	87,641	128,950
Elimination : Inter-segment Revenue	-	(87,641)	(87,641)
Total revenue	<u>150,373</u>	<u>-</u>	<u>150,373</u>

RESULTS

	Total RM'000
Trading	3,748
Manufacturing	4,497
Others	<u>5,036</u>
Profit before taxation	<u>13,281</u>
Taxation	<u>(3,105)</u>
Profit for the financial period	<u><u>10,176</u></u>

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward from the preceding annual financial statements less accumulated depreciation and impairment losses.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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 2008 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 RM62.62 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 RM30.88 million as at 31 December 2008.

A13. Capital Commitments

No capital commitments as at the date of report.

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

B1. Review of Performance

The Group registered a 46% growth in revenue to RM150.3 million for the current financial year as compared to previous financial year. Profit before tax increased by 155% to RM13.3 million as compared to RM5.2 million last year.

For the current quarter ended 31 December 2008, the Group recorded 36% increase in revenue to RM38.2 million as compared to previous year corresponding quarter of RM28.0 million. The Group registered a profit before tax of RM3.7 million for the current quarter as compared to profit before taxation of RM2.3 million recorded in fourth quarter of 2007.

B2. Comparison with Preceding Quarter's Results

The Group registered a 12% decrease in revenue to RM38.2 million for the current quarter as compared to RM43.3 million registered in preceding quarter. The Group registered a profit before taxation for the current quarter of RM3.7 million as compared to RM4.6 million in the preceding quarter.

B3. Prospects

Business condition was favourable during 2008. In view of potential for exports and global emphasis on the environment, interest in the Group's environmental engineering products and services are expected to continue in financial year 2009.

The Group will continue with its various marketing strategies and cost management measures to address possible adverse impact on the Group's results arising from the current uncertain worldwide economic condition.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Year Ended 31.12.2008 RM '000	Year Ended 31.12.2007 RM '000
Current Year Taxation		
- in Malaysia	2,369	342
In respect of prior year	20	(7)
Deferred Taxation		
- originating / reversal	1,009	1,132
- changes in tax rates	(161)	(91)
- in respect of prior year	(132)	(82)
	3,105	1,294

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 DECEMBER 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.

On 4 November 2008, the Company announced that it does not intend to seek further extension of time to complete the private placement. Consequently, the private placement has lapsed on 8 November 2008.

B9. Borrowings

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

		As at 31.12.2008 RM'000
Secured		
Short Term borrowings	denominated in Ringgit Malaysia	61,239
Short Term - Hire purchase	denominated in Ringgit Malaysia	4,172
Long Term borrowings	denominated in Ringgit Malaysia	11,788
Long Term - Hire Purchase	denominated in Ringgit Malaysia	2,604
Total		<u>79,803</u>

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

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	Contract Period	Outstanding	
		Amount FC'000		Contract Amount FC'000	RM'000
EURO	Buy	32	29/01/2009-29/05/2009	32	153
USD	Sell	68	19/02/2009-19/03/2009	68	238
USD	Sell	95	15/01/2009-20/03/2009	1	3
USD	Sell	80	20/02/2009-26/05/2009	80	293
SGD	Sell	600	22/01/2009-27/07/2009	600	1444
GBP	BUY	27	13/02/2009-18/05/2009	17	87
GBP	BUY	3	16/02/2009-18/05/2009	3	17

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 trade receivables and payables in foreign currencies. The Group enters into foreign exchange contract when there is a need to hedge certain exposure. These contracts are typically of short-term nature. The Group does not take up the difference between the contract rate and the spot rate 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.

B12. Dividend

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

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

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>Year to date ended</u>	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Profit/(loss) attributable to equity holders of the parent (RM'000)	2,278	1,205	10,733	4,593
Weighted average number of shares in issue ('000)	84,016	81,407	84,016	80,367
Basic profit/(loss) per share (sen)	2.71	1.48	12.77	5.72

* 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.