

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009**CONDENSED CONSOLIDATED BALANCE SHEETS**

	Group As at 30.06.2009 RM'000	Group As at 31.12.2008 audited RM'000
ASSETS		
Property, plant and equipment	74,439	71,160
Prepaid lease payments for land	1,270	1,270
Investment property	173	175
Goodwill	3,186	3,186
Deferred tax assets	320	320
	79,388	76,111
Current assets		
Inventories	30,853	31,380
Trade and other receivables	50,947	41,930
Tax recoverable	643	460
Fixed deposits with licensed banks	6,917	15,132
Cash and Bank Balances	21,317	10,299
	110,677	99,201
TOTAL ASSETS	190,065	175,312
EQUITY AND LIABILITIES		
Share capital	42,008	42,008
Reserves	2,631	2,623
Retained profits	26,512	24,940
Total capital and reserves attributable to equity holders of the parent	71,151	69,571
Minority interests	2,117	2,423
Total equity	73,268	71,994
Non-current liabilities		
Long-term bank borrowings	11,421	11,557
Hire purchase and lease creditors	4,159	4,927
Deferred tax	3,330	3,330
Total non-current liabilities	18,910	19,814
Current liabilities		
Trade and other payables	37,776	19,449
Hire purchase and lease creditors	1,953	1,846
Short-term borrowings	51,969	55,788
Current portion of long-term loans	5,495	5,682
Tax liabilities	694	739
Total current liabilities	97,887	83,504
Total liabilities	116,797	103,318
TOTAL EQUITY AND LIABILITIES	190,065	175,312
Net Assets Per Share (RM)	0.85	0.83

The above Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
CONDENSED CONSOLIDATED INCOME STATEMENTS

	3 months ended		Year to date ended	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	23,452	40,664	52,308	68,857
Other operating expenses	(431)	(575)	(738)	(956)
Other income	531	720	951	1,014
Finance costs	(1,212)	(1,303)	(2,442)	(2,558)
Profit before taxation	957	4,019	3,053	5,037
Taxation	(278)	(647)	(526)	(855)
Profit for the period	679	3,372	2,527	4,182
Attributable to:				
Equity holders of the parent	829	3,543	2,833	4,469
Minority interest	(150)	(171)	(306)	(287)
Profit for the period	679	3,372	2,527	4,182
Earning per share				
- basic (sen)	0.99	4.22	3.37	5.32
- diluted (sen)	na	*	na	*

* 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 2008.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	6 months ended	
	30.06.2009	30.06.2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,053	5,037
Adjustments for non-cash and non operating items	5,675	5,813
Operating profit before working capital changes	8,728	10,850
Changes in working capital		
Net changes in current assets	(8,962)	(13,749)
Net changes in current liabilities	17,953	401
Taxation paid	(682)	375
Net cash inflow/(outflow) from operating activities	17,037	(2,123)
Net cash outflow from investing activities	(6,605)	(3,962)
Net cash (outflow)/inflow from financing activities	(8,058)	2,394
Decrease in cash and cash equivalents	2,374	(3,691)
Opening cash and cash equivalents	22,089	10,982
Effect of exchange rate changes	4	90
Closing cash and cash equivalents	24,467	7,381

The above Consolidated Cash flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
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 2009	42,008	2,893	(270)	24,940	69,571	2,423	71,994
Profit for the period	-	-	8	2,832	2,840	(306)	2,534
Dividend Payable				(1,260)	(1,260)		(1,260)
At 30 June 2009	<u>42,008</u>	<u>2,893</u>	<u>(262)</u>	<u>26,512</u>	<u>71,151</u>	<u>2,117</u>	<u>73,268</u>
At 1 January 2008	42,008	2,893	(201)	13,745	58,445	3,132	61,577
Profit for the period	-	-	(69)	11,195	11,126	(709)	10,417
At 31 December 2008	<u>42,008</u>	<u>2,893</u>	<u>(270)</u>	<u>24,940</u>	<u>69,571</u>	<u>2,423</u>	<u>71,994</u>

The above Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
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 2008.

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 2008.

A2. Auditors' Report

The auditors' report of the preceding annual financial statements for the financial year ended 31 December 2008 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.

A6. Debt or Equity Securities

There were no 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.

The Company had paid a first and final tax exempt dividend of 3% per ordinary share for the financial year ended 31 December 2008 on 30 July 2009.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting

Segmental information for the financial period ended 30 June 2009:-

Revenue	External RM'000	Inter-segment RM'000	Total RM'000
Trading	42,423		42,423
Manufacturing	9,885	33,324	43,209
Elimination : Inter-segment Revenue	-	(33,324)	(33,324)
Total revenue	<u>52,308</u>	<u>-</u>	<u>52,308</u>

RESULTS	Total RM'000
Trading	1,534
Manufacturing	1,638
Others	(119)
Profit before taxation	3,053
Taxation	(526)
Profit for the financial period	<u>2,527</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.

A10. Material Subsequent Events

There were no material events subsequent to the current quarter ended 30 June 2009 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 RM84.40 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 RM67.09 million as at 30 June 2009.

A13. Capital Commitments

	RM'000
Capital Expenditure : Plant and Equipment Approved and contracted for	<u>2,019</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded 42% decrease in revenue to RM23.5 million for the current quarter ended 30 June 2009 as compared to previous year corresponding quarter of RM40.7 million. The Group registered a profit before tax of RM0.96 million for the current quarter as compared to profit before taxation of RM4 million recorded in second quarter of 2008.

B2. Comparison with Preceding Quarter's Results

The Group registered 18.7% decrease in revenue to RM23.5 million for the current quarter as compared to RM28.9 million registered in preceding quarter due to timing of recognition of project revenue. The Group registered a profit before taxation for the current quarter of RM0.96 million as compared to RM2.1 million in the preceding quarter.

B3. Prospects

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.

The Group's result is expected to improve further in the second half of the year.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Year Ended 30.06.2009 RM '000	Year Ended 30.06.2008 RM '000
Current Year Taxation		
- in Malaysia	501	863
In respect of prior year	25	(8)
	<u>526</u>	<u>855</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.

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.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

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

There was no corporate proposal announced but not completed for the period ended 30 June 2009.

B9. Borrowings

The Group's borrowings as at 30 June 2009 were as follows:

			As at 30.06.2009 RM'000
Secured			
Short Term borrowings	denominated in Ringgit Malaysia		57,464
Short Term - Hire purchase	denominated in Ringgit Malaysia		1,953
Long Term borrowings	denominated in Ringgit Malaysia		11,421
Long Term - Hire Purchase	denominated in Ringgit Malaysia		4,159
Total			<u>74,997</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	397	26/06/2009-29/12/2009	330	1,163
USD	Sell	300	09/06/2009-10/12/2009	121	424
USD	Sell	300	17/06/2009-16/12/2009	262	922
USD	Buy	380	19/03/2009-23/09/2009	40	147
USD	Buy	400	20/03/2009-23/09/2009	355	1,301

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.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2009
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

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.

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>	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
Profit/(loss) attributable to equity holders of the parent (RM'000)	829	3,543	2,833	4,469
Weighted average number of shares in issue ('000)	84,016	84,016	84,016	84,016
Basic profit/(loss) per share (sen)	0.99	4.22	3.37	5.32

* The Group has no dilution in its earning per share.