

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2009
CONDENSED CONSOLIDATED BALANCE SHEETS

	Group As at 31.12.2009 RM'000	Group As at 31.12.2008 audited RM'000
ASSETS		
Property, plant and equipment	69,485	71,160
Prepaid lease payments for land	-	1,270
Investment property	171	175
Goodwill	3,103	3,186
Deferred tax assets	99	320
	72,858	76,111
Current assets		
Inventories	39,066	31,380
Trade and other receivables	69,952	41,930
Tax recoverable	117	460
Fixed deposits with licensed banks	11,328	15,132
Cash and Bank Balances	17,250	10,299
	137,713	99,201
Asset Held for Sale	11,827	-
	149,540	99,201
TOTAL ASSETS	222,398	175,312
EQUITY AND LIABILITIES		
Share capital	42,008	42,008
Reserves	2,308	2,623
Retained profits	33,525	24,940
Total capital and reserves attributable to equity holders of the parent	77,841	69,571
Minority interests	1,029	2,423
Total equity	78,870	71,994
Non-current liabilities		
Long-term bank borrowings	15,307	11,557
Hire purchase and lease creditors	4,475	4,927
Deferred tax	3,650	3,330
Total non-current liabilities	23,432	19,814
Current liabilities		
Trade and other payables	40,281	19,449
Amount due to contract customer	15,320	-
Amount owing to JV Company	309	-
Hire purchase and lease creditors	2,162	1,846
Short-term borrowings	60,219	55,788
Current portion of long-term loans	925	5,682
Tax liabilities	880	739
Total current liabilities	120,096	83,504
Total liabilities	143,528	103,318
TOTAL EQUITY AND LIABILITIES	222,398	175,312
Net Assets Per Share (RM)	0.93	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 31 DECEMBER 2009
CONDENSED CONSOLIDATED INCOME STATEMENTS**

	3 months ended		Year to date ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	56,941	38,069	137,452	150,258
Other operating expenses	(4,997)	(696)	(6,232)	(2,080)
Other income	397	941	1,867	2,640
Finance costs	(1,237)	(1,288)	(4,822)	(5,300)
Profit before taxation	3,803	3,648	11,050	13,263
Taxation	(1,644)	(1,152)	(2,599)	(2,777)
Profit for the period	2,159	2,496	8,451	10,486
Attributable to:				
Equity holders of the parent	3,103	2,740	9,845	11,195
Minority interest	(944)	(244)	(1,394)	(709)
Profit for the period	2,159	2,496	8,451	10,486
Earning per share				
- basic (sen)	3.69	3.26	11.72	13.32
- diluted (sen)	na	*	na	*

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

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 31 DECEMBER 2009
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	9 months ended	
	31.12.2009	31.12.2008
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,050	9,615
Adjustments for non-cash and non operating items	14,689	9,000
Operating profit before working capital changes	25,739	18,614
Changes in working capital		
Net changes in current assets	(36,411)	(11,628)
Net changes in current liabilities	35,379	2,686
Taxation paid	(1,544)	(260)
Net cash inflow from operating activities	23,163	9,413
Net cash outflow from investing activities	(24,000)	(7,850)
Net cash (outflow)/inflow from financing activities	(3,519)	2,866
(Decrease)/increase in cash and cash equivalents	(4,356)	4,429
Opening cash and cash equivalents	22,089	10,982
Effect of exchange rate changes	5	8
Closing cash and cash equivalents	17,738	15,418

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 31 DECEMBER 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	-	-	(315)	9,845	9,530	(1,394)	8,136
Dividend				(1,260)	(1,260)		(1,260)
At 31 December 2009	42,008	2,893	(585)	33,525	77,841	1,029	78,870
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	42,008	2,893	(270)	24,940	69,571	2,423	71,994

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 31 DECEMBER 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

On 30 July 2009, the Company paid a first and final tax exempt dividend of 3% per ordinary share amounting to RM1.26 million in respect of financial year ended 31 December 2008.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2009
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting

Segmental information for the financial period ended 31 December 2009:-

Revenue	External RM'000	Inter-segment RM'000	Total RM'000
Trading	131,476		131,476
Manufacturing	5,976	91,257	97,233
Elimination : Inter-segment Revenue	-	(91,257)	(91,257)
Total revenue	<u>137,452</u>	<u>-</u>	<u>137,452</u>

RESULTS	Total RM'000
Trading	5,350
Manufacturing	6,031
Others	(331)
Profit before taxation	11,050
Taxation	<u>(2,599)</u>
Profit for the financial period	<u>8,451</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 31 December 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 RM80.30 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 RM57.01 million as at 31 December 2009.

A13. Capital Commitments

Capital Expenditure	:	Plant and Equipment	RM'000
		Approved and contracted for	<u>1,548</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2009
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B1. Review of Performance

The Group recorded 49% increase in revenue to RM56.9 million for the current quarter ended 31 December 2009 as compared to previous year corresponding quarter of RM38.1 million. The Group registered a profit before tax of RM3.8 million for the current quarter as compared to profit before taxation of RM3.65 million recorded in fourth quarter of 2008.

The increase in revenue registered during the current quarter was due to substantial progress of an overseas project.

B2. Comparison with Preceding Quarter's Results

The Group registered 102% increase in revenue to RM56.9 million for the current quarter as compared to RM28.2 million registered in preceding quarter. The Group registered a profit before taxation for the current quarter of RM3.8 million as compared to RM4.19 million in the preceding quarter.

The lower profit before taxation for the current quarter was mainly due to impairment of Property, Plant and Equipment and losses to equipment and material caused by flooding of an overseas project.

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 2010. The Group will continue with its various marketing strategies and cost management measures to address possible impact on the Group's results arising from the current worldwide economic condition.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Year Ended 31.12.2009 RM '000	Year Ended 31.12.2008 RM '000
Current Year Taxation		
- in Malaysia	2,251	1,500
In respect of prior year	28	347
Deferred Taxation		
- originating / reversal	259	1,417
- changes in tax rates	-	(132)
- in respect of prior year	61	(355)
	<u>2,599</u>	<u>2,777</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 DECEMBER 2009
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
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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 Acquisition of 33% equity interest in Fibre Innovation Technology Sdn Bhd

On 29 January 2010, the Company announced that it has entered into a Conditional Sale and Purchase Agreement with Mr Kwun Young Hwan to acquire of the remaining 33% share capital equivalent to 3,300,000 ordinary shares of RM1.00 each of Fibre Innovation Technology Sdn Bhd ("FIT") for a total cash consideration of RM30,000.

The Proposed Acquisition is conditional upon the approval from MITI which is currently pending.

B9. Borrowings

The Group's borrowings as at 31 December 2009 were as follows:

		As at 31.12.2009 RM'000
Secured		
Short Term borrowings	denominated in Ringgit Malaysia	61,144
Short Term - Hire purchase	denominated in Ringgit Malaysia	2,162
Long Term borrowings	denominated in Ringgit Malaysia	15,307
Long Term - Hire Purchase	denominated in Ringgit Malaysia	4,475
Total		<u>83,088</u>

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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
USD	Sell	45,274	30/12/2009-15/03/2010	18,547	65,470
EUR	Buy	17,000	12/02/2010-19/04/2010	17,000	80,213
EUR	Buy	17,073	12/02/2010-18/05/2010	17,073	80,666
USD	Sell	145,000	15/12/2009-17/06/2010	108,667	371,153
USD	Sell	32,000	30/12/2009-30/06/2010	32,000	110,064
USD	Sell	55,000	11/02/2010-17/05/2010	55,000	188,045
USD	Sell	300,000	28/01/2010-02/08/2010	300,000	1,027,350

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 2009
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>	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Profit/(loss) attributable to equity holders of the parent (RM'000)	3,103	2,740	9,845	11,195
Weighted average number of shares in issue ('000)	84,016	84,016	84,016	84,016
Basic profit/(loss) per share (sen)	3.69	3.26	11.72	13.32

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