



UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2009

	(Unaudited)	(Audited)
	As At	As At
	31.03.09	31.12.08
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	115,512	114,842
Prepaid land lease payments	7,088	7,122
Intangible asset	10	10
Deferred tax assets	5,784	5,632
	<u>128,394</u>	<u>127,606</u>
Current assets		
Inventories	25,188	32,683
Trade receivables	21,950	24,991
Other receivables, deposits and prepayments	904	1,289
Tax recoverable	317	-
Cash and cash equivalents	1,590	1,192
	<u>49,949</u>	<u>60,155</u>
TOTAL ASSETS	<u>178,343</u>	<u>187,761</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	60,000	60,000
Retained earnings	48,269	48,182
Total equity	<u>108,269</u>	<u>108,182</u>
Non-current liability		
Borrowings	7,326	7,039
	<u>7,326</u>	<u>7,039</u>
Current liabilities		
Borrowings	45,790	55,355
Trade payables	8,671	6,631
Other payables	8,280	10,484
Dividend payables	7	13
Current tax payable	-	57
	<u>62,748</u>	<u>72,540</u>
Total liabilities	<u>70,074</u>	<u>79,579</u>
TOTAL EQUITY AND LIABILITIES	<u>178,343</u>	<u>187,761</u>
Net Assets per Share (RM)	0.45	0.45
Net Assets (RM'000)	108,269	108,182

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008)



**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2009**

	3 months ended		3 months ended	
	31.03.09	31.03.08	31.03.09	31.03.08
	RM'000	RM'000	RM'000	RM'000
Revenue	30,917	38,375	30,917	38,375
Cost of sales	(26,982)	(32,011)	(26,982)	(32,011)
Gross profit	<u>3,935</u>	<u>6,364</u>	<u>3,935</u>	<u>6,364</u>
Other income	2	9	2	9
Administrative expenses	(2,475)	(1,739)	(2,475)	(1,739)
Selling and marketing expenses	(971)	(1,035)	(971)	(1,035)
Finance costs	(460)	(454)	(460)	(454)
Profit before tax	<u>31</u>	<u>3,145</u>	<u>31</u>	<u>3,145</u>
Current tax	(96)	(594)	(96)	(594)
Deferred tax	152	(195)	152	(195)
Profit for the period	<u><u>87</u></u>	<u><u>2,356</u></u>	<u><u>87</u></u>	<u><u>2,356</u></u>
Attributable to:				
Equity holders of the company	<u><u>87</u></u>	<u><u>2,356</u></u>	<u><u>87</u></u>	<u><u>2,356</u></u>
Earnings per share attributable to equity holders of the company :				
Basic earnings per share (sen)	<u><u>0.04</u></u>	<u><u>0.98</u></u>	<u><u>0.04</u></u>	<u><u>0.98</u></u>
Diluted earnings per share (sen)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

(The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAR 2009**

	<u>Attributable to Equity Holders of the Company</u>		Total Equity RM'000
	Share Capital RM'000	Distributable Retained Earnings RM'000	
At 1 January 2008 (As previously stated)	60,000	32,067	92,067
Adoption of FRS 112	-	13,431	13,431
As restated	60,000	45,498	105,498
Profit for the period	-	2,356	2,356
Dividend	-	(2,664)	(2,664)
At 31 March 2008	<u>60,000</u>	<u>45,190</u>	<u>105,190</u>
At 1 January 2009	60,000	48,182	108,182
Profit for the period	-	87	87
At 31 March 2009	<u>60,000</u>	<u>48,269</u>	<u>108,269</u>

(The Unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008)



**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAR 2009**

	3 months ended	
	31.03.09 RM'000	31.03.08 RM'000
Cash flow from operating activities		
Profit before tax	31	3,145
Adjustments for :		
Amortisation of prepaid land lease payments	34	34
Depreciation	3,333	3,156
Interest expense	460	450
Interest income	-	(7)
Loss on disposal of property, plant and equipment	11	-
Property, plant and equipment written off	3	-
Operating profit before working capital changes	3,872	6,778
Increase / (decrease) in inventories	7,495	(2,159)
Decrease in trade and other receivables	3,426	3,565
Decrease in trade and other payables	(164)	(550)
Cash generated from operations	14,629	7,634
Interest paid	(460)	(450)
Interest received	-	7
Tax paid	(470)	(320)
Net cash flow from operating activities	13,699	6,871
Cash flow from investing activities		
Proceeds from disposal of property, plant and equipment	26	
Purchase of property, plant and equipment	(4,043)	(2,167)
Net cash flow from investing activities	(4,017)	(2,167)
Cash flow from financing activities		
Dividends paid	(6)	(6)
Proceeds from short term bank borrowings	27,950	22,038
Repayment of short term bank borrowings	(37,224)	(24,371)
Repayment of term loans	(1,183)	(1,739)
Proceed from hire purchase payable	-	146
Repayment of hire purchase payable	(25)	(25)
Net cash flow from financing activities	(10,488)	(3,957)
Net change in cash and cash equivalents	(806)	747
Cash and cash equivalents at beginning of the financial period	(4,708)	2,075
Cash and cash equivalents at end of the financial period	(5,514)	2,822

Cash and cash equivalents at the end of the financial period comprise of the following :

	As at 31.03.09 RM'000	As at 31.03.08 RM'000
	Cash and cash equivalents	1,590
Bank overdrafts	(7,104)	(89)
	(5,514)	2,822

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008)



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER FRS 134₂₀₀₄

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard 134₂₀₀₄ Interim Financial Reporting and Chapter 9 part K of the Listing Requirements of the Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2008.

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2008 was not subject to any qualification.

A3. Seasonal and Cyclical factors

The Group's product are subject to some seasonality whereby production usually slows down slightly in the first quarter of the year. Production runs normally from the second quarter and peaks in third and fourth quarters before the major festivals such as Hari Raya, Christmas day, New Year and Chinese New Year and long school holiday periods.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows because of their nature, size, or incidence for the current quarter under review and financial year to date.

A5. Material Changes in Estimates

There were no other changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years.

A6. Issuances and repayment of debt and equity securities

There was no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current financial quarter under review.

A7. Dividend paid

There was no dividend paid during the current quarter.



NOTES TO THE INTERIM FINANCIAL REPORT

A8. Segmental Reporting

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

	<u>PVC</u> <u>Sheeting</u> RM'000	<u>PP Non-</u> <u>Woven</u> RM'000	<u>PVC</u> <u>Leather</u> RM'000	<u>Others</u> RM'000	<u>Elimination</u> RM'000	<u>Group</u> RM'000
1 January 2009 to						
31 March 2009						
Revenue						
External Revenue	21,278	1,986	1,749	5,904	-	30,917
Results						
Segment results	337	31	28	93	-	489
Other income						2
Finance costs						(460)
Profit before tax						31
Income tax expense						56
Profit for the period						87

A9. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment by the Group since the last audited financial statements for the financial year ended 31 December 2008.

A10. Subsequent Events

There were no material events between the end of the reporting quarter and the date of this announcement.

A11. Changes In The Composition of The Group

There were no changes in the composition of the Group for the current year to date.

A12. Contingent Liabilities

As at 31 March 2009, the Group has no material contingent liabilities save for a corporate guarantee of RM98,733,740 issued by the Company in respect of banking facilities granted to the subsidiary companies.

A13. Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2009 is as follows :-

	RM'000
Contracted but not provided for	1,820

PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of Performance

For the current quarter, the Group recorded a revenue of RM30.9 million while profit before tax was recorded at RM31,209. The major contributor of the Group's revenue was PVC sheeting, which contributed approximately 68.82% towards the current quarter. The decrease in revenue for the current quarter was mainly due to the adverse effect of the economic downturn.



NOTES TO THE INTERIM FINANCIAL REPORT

B2. Variation of Results Against Preceding Quarter

A comparison of the quarterly results of the current and preceding quarter is as follows:

	Current Quarter 01/01/09-31/03/09 (RM'000)	Preceding 01/10/08-31/12/08 (RM'000)
Profit/(loss) before tax	31	(1,169)
Profit for the period	87	2,806

The Group's profit before tax for the current quarter increased by RM1.2 million from loss RM1.17 million as recorded in the preceding quarter to RM31,209. This was mainly due to higher sales volume achieved for PVC products as a result of seasonal factor.

B3. Prospects

The Board of Directors expects the prevailing global economic uncertainties will affect the performance of the Group and will be a challenging year to the Group. However, the Group will be taking cautious approach to minimise the exposure from the economic turmoil by improving its operational efficiency and product quality as well as enhancement of its product range in order to increase its market share.

B4. Variance of Actual and Forecast Revenue

Not applicable.

B5. Income Tax Expense

	Current Quarter 31.03.09 RM'000	3 months Cumulative 31.03.09 RM'000
Current tax expense		
- current	96	96
Deferred tax expense		
Origination and reversal of temporary differences		
- current	(152)	(152)
Total tax income	<u>(56)</u>	<u>(56)</u>

The Group's effective tax rate for the current period was lower than the statutory tax rate of 25% due to double deduction claimed on certain eligible expenditure, claims on reinvestment allowances and recognition of deferred tax assets by subsidiary companies.

B6. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year to date.

B7. Purchase or Disposal of Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter under review and financial year to date.

B8. Status of Corporate Proposal

There were no corporate proposals announced as at the date of issue of this interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT

B9. Group Borrowings

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

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term			
Bank overdrafts	7,104	-	7,104
Bankers' acceptance	34,533	-	34,533
Foreign currency trust receipt	296	-	296
Hire purchase payable	24	-	24
Term loans	3,833	-	3,833
	<u>45,790</u>	<u>-</u>	<u>45,790</u>
Long term			
Term loans	7,326	-	7,326
	<u>7,326</u>	<u>-</u>	<u>7,326</u>
Total borrowings	<u>53,116</u>	<u>-</u>	<u>53,116</u>

Borrowings denominated in foreign currency:

	USD'000	RM'000 Equivalent
On shore foreign currency financing	80	296
Term loan	<u>1,717</u>	<u>6,353</u>

B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B11. Material Litigation

The Group is not engaged in any material litigation as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B12. Basis of Calculation of Earnings Per Share

The basic earnings per share for the current quarter and cumulative months to date are computed as follow:

	Individual Current Quarter 31.03.09	Cumulative Months To Date 31.03.09
Net profit attributable to ordinary equity holders of the company (RM'000)	<u>87</u>	<u>87</u>
Weighted average number of ordinary shares of RM0.25 each in issue ('000)	<u>240,000</u>	<u>240,000</u>
Basic Earnings Per Share based on weighted average number of ordinary shares of RM0.25 each in issue (sen)	<u>0.04</u>	<u>0.04</u>

There is no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at the end of the reporting period.

By order of the Board

TEK SENG HOLDINGS BERHAD

LOH KOK BENG
EXECUTIVE CHAIRMAN

Dated : 24 April 2009