

CN ASIA CORPORATION BHD (Company No.: 399442-A)
(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2009**

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CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31/03/2009 RM'000	Preceding Year Quarter Ended 31/03/2008 RM'000	Current Year 3 Months Ended 31/03/2009 RM'000	Preceding Year 3 Months Ended 31/03/2008 RM'000
Revenue	4,607	6,884	4,607	6,884
Operating Expenses	(5,134)	(6,284)	(5,134)	(6,284)
Other operating income	-	-	-	-
(Loss) / Profit from operations	<u>(527)</u>	<u>600</u>	<u>(527)</u>	<u>600</u>
Finance cost	(87)	(132)	(87)	(132)
Depreciation and amortisation	(351)	(334)	(351)	(334)
Share of losses of associated company	(22)	(31)	(22)	(31)
(Loss) / Profit before taxation and minority interests (MI)	<u>(987)</u>	<u>103</u>	<u>(987)</u>	<u>103</u>
Taxation	2	2	2	2
(Loss) / Profit after taxation before MI	<u>(985)</u>	<u>105</u>	<u>(985)</u>	<u>105</u>
Minority interests	-	-	-	-
Net (loss) / profit for the period attributable to members of the company	<u>(985)</u>	<u>105</u>	<u>(985)</u>	<u>105</u>
Earnings per share (sen)				
- Basic	<u>(2.2)</u>	<u>0.2</u>	<u>(2.2)</u>	<u>0.2</u>
- Fully diluted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2009**

CONDENSED CONSOLIDATED BALANCE SHEET

	As At End of Current Quarter 31/03/2009 RM'000	As At Preceding Financial Year Ended 31/12/2008 RM'000
ASSETS		
Non-current Assets		
<i>Property, plant & equipment</i>	25,155	25,456
<i>Prepaid land lease payments</i>	6,891	6,912
<i>Intangible assets</i>	192	213
<i>Investment property</i>	380	380
<i>Investment in associated company</i>	-	22
<i>Capital work-in-progress</i>	475	324
<i>Goodwill on consolidation</i>	136	136
	33,229	33,443
Current Assets		
<i>Inventories</i>	8,000	8,289
<i>Trade and other receivables</i>	4,780	7,643
<i>Cash at banks and in hand</i>	2,271	2,626
	15,051	18,558
TOTAL ASSETS	48,280	52,001
EQUITY AND LIABILITIES		
Equity		
<i>Share capital</i>	45,382	45,382
<i>Reserves</i>	(9,164)	(8,179)
Shareholders' Equity	36,218	37,203
Liabilities		
Non-current Liabilities		
<i>Hire Purchase Payables</i>	739	982
<i>Deferred Taxation</i>	606	608
	1,345	1,590
Current Liabilities		
<i>Trade and other payables</i>	5,255	7,273
<i>Overdraft and short term borrowings</i>	5,462	5,935
<i>Taxation</i>	-	-
	10,717	13,208
TOTAL LIABILITIES	12,062	14,798
TOTAL EQUITY AND LIABILITIES	48,280	52,001
Net Assets Per Share (RM)	0.80	0.82

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008)

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UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Current Year 3 Months Ended 31/03/2009 RM'000	Preceding Year 3 Months Ended 31/03/2008 RM'000
Cash Flows From Operating Activities		
(Loss) / Profit Before Tax But After Minority Interest	(987)	103
Adjustments For:-		
Non cash items	373	403
Non-operating items	87	132
	460	535
Operating (Loss) / Profit Before Working Capital Changes	(527)	638
Changes In Working Capital		
Net Change In Current Assets	3,158	2,915
Net Change In Current Liabilities	(2,023)	(1,931)
Cash Generated From Operations	608	1,622
Interest (paid) / received	(87)	(132)
Net Cash Generated From Operating Activities	521	1,490
Cash Flows From Investing Activities		
Capital Work-in-progress Incurred	(151)	-
Other investment	(8)	(34)
Net Cash Used In Investing Activities	(159)	(34)
Cash Flows From Financing Activities		
Bank borrowings	533	(1,197)
Net Cash Generated From / (Used In) Financing Activities	533	(1,197)
Net Increase In Cash And Cash Equivalents	895	259
Cash And Cash Equivalents At Beginning Of The Financial Year	(37)	(2,058)
Cash And Cash Equivalents At End Of The Financial Quarter	858	(1,799)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008)

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UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL (RM'000)	SHARE PREMIUM (RM'000)	CAPITAL RESERVE (RM'000)	TRANSLATION RESERVE (RM'000)	ACCUMULATED LOSSES (RM'000)	TOTAL SHAREHOLDERS' FUND (RM'000)
Current Year 3 Months						
<u>Ended 31/03/2009</u>						
Balance at beginning of the year	45,382	3,492	631	37	(12,339)	37,203
Movement during the year (cumulative)						
- Loss for the period	-	-	-	-	(985)	(985)
Balance at end of the period	<u>45,382</u>	<u>3,492</u>	<u>631</u>	<u>37</u>	<u>(13,324)</u>	<u>36,218</u>
Preceding Year 3 Months						
<u>Ended 31/03/2008</u>						
Balance at beginning of the year	45,382	3,492	631	-	(12,801)	36,704
Movement during the year (cumulative)						
- Profit for the period	-	-	-	-	105	105
Balance at end of the period	<u>45,382</u>	<u>3,492</u>	<u>631</u>	<u>-</u>	<u>(12,696)</u>	<u>36,809</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008)

CN ASIA CORPORATION BHD
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Notes To The Quarterly Report For The First Financial Quarter Ended 31 March 2009

A Selected Explanatory Notes Pursuant To FRS 134

(a) Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2008. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statements for the year ended 31 December 2008.

(b) Qualification Of Financial Statements

There was no qualification on audit report of preceding annual financial statements.

(c) Seasonal And Cyclical Factors

The operations of the Group is traditionally seasonal and cyclical in nature whereby it is closely linked to the oil majors retail business which normally experience low period in the first quarter and peak during the fourth quarter of the year.

There has been no significant changes in this factors over the years.

(d) Items Of An Unusual Nature

There was no item affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

(e) Changes In Estimates Reported

There was no changes in estimates reported in prior interim periods of the current financial year or prior financial year, which have a material effect in the current interim period.

(f) Changes In Equity

There were no issuances, cancellation, repurchase, resale and repayments of debts and equity securities for the current financial year-to-date.

(g) Dividend Paid

There was no dividend paid during the financial year-to-date.

(h) Segmental Information

(i) By Activities

	Manufacturing and marketing of tanks,engineering, transportable containers for hazardous chemicals and fabrication works RM'000	Investment holding RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External revenue	4,607	-	-	4,607
Inter-segment revenue	196	15	(211)	-
Total revenue	<u>4,803</u>	<u>15</u>	<u>(211)</u>	<u>4,607</u>
Results				
Segment results	(805)	(53)	-	(858)
Unallocated expenses	-	-	-	(20)
Finance cost	(87)	-	-	(87)
Share of losses of associated company	-	-	-	(22)
Taxation	-	-	-	2
Loss attributable to members of the company				<u>(985)</u>

Notes To The Quarterly Report For The First Financial Quarter Ended 31 March 2009 (cont'd)

(h) Segmental Information (cont'd)(i) By Activities (cont'd)

	Manufacturing and marketing of tanks, engineering, transportable containers for hazardous chemicals and fabrication works	Investment holding	Eliminations	Consolidated
Other information				
Segment assets	45,254	2,636	-	47,890
Unallocated assets	-	-	-	328
Tax assets	36	26	-	62
Consolidated total assets				<u>48,280</u>
Segment liabilities	5,242	13	-	5,255
Interest bearing liabilities	6,201	-	-	6,201
Deferred taxation liabilities	-	606	-	606
Consolidated total liabilities				<u>12,062</u>
Capital expenditure	7,840	-	-	7,840
Depreciation and amortisation	<u>343</u>	<u>8</u>	<u>-</u>	<u>351</u>

(ii) By Geographical

	Malaysia RM'000	The People's Republic of China RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External revenue	4,607	-	-	4,607
Inter-segment revenue	<u>15</u>	<u>196</u>	<u>(211)</u>	<u>-</u>
Total revenue	<u>4,622</u>	<u>196</u>	<u>(211)</u>	<u>4,607</u>
Results				
Segment results	(784)	(74)	-	(858)
Unallocated expenses	-	-	-	(20)
Finance cost	(87)	-	-	(87)
Share of losses of associated company	-	-	-	(22)
Taxation	-	-	-	2
Loss attributable to members of the company				<u>(985)</u>
Other information				
Segment assets	47,090	800	-	47,890
Unallocated assets	-	-	-	328
Tax assets	62	-	-	62
Consolidated total assets				<u>48,280</u>
Segment liabilities	5,254	1	-	5,255
Interest bearing liabilities	6,201	-	-	6,201
Deferred taxation liabilities	606	-	-	606
Consolidated total liabilities				<u>12,062</u>
Capital expenditure	7,840	-	-	7,840
Depreciation and amortisation	<u>343</u>	<u>8</u>	<u>-</u>	<u>351</u>

(i) Valuation Of Property, Plant And Equipment

There were no amendments in the valuation of property, plant and equipment brought forward from the previous annual financial statements.

(j) Material Subsequent Events

There were no material events subsequent to the end of the quarter reported on that have not been reflected in the financial statements for the period.

Notes To The Quarterly Report For The First Financial Quarter Ended 31 March 2009 (cont'd)(k) Changes In The Composition

There were no changes in the composition of the company for the current quarter and financial year-to-date.

(l) Changes In Contingent Liabilities And Contingent Assets

	Period Ended 31.03.2009 RM'000	Year Ended 31.12.2008 RM'000
Contingent liabilities		
- In respect of corporate guarantee for credit facilities granted to a subsidiary company	<u>7,579</u>	<u>8,104</u>
Contingent assets		
- In respect of deferred tax benefit not provided for	<u>6,007</u>	<u>6,007</u>

*Notes To The Quarterly Report For The First Financial Quarter Ended 31 March 2009 (cont'd)***B Explanatory Notes Required By Bursa Malaysia Securities Listing Requirements****1. Review Of Performance Of The Group**

The Group reported a turnover and loss before taxation of RM4.6 million and RM987K respectively for the quarter under review as compared to a turnover and profit before taxation of RM6.9 million and RM105K respectively for the preceding year corresponding quarter mainly due to low volume of business during the quarter as a result of delay in commencement of certain project, loss resulted from foreign exchange and the loss contributed by the foreign subsidiary during the quarter under review.

2. Variation Of Results Against Preceding Quarter

The Group registered a loss before taxation of RM987K for the quarter as compared to a profit before taxation of RM168K for the preceding quarter mainly due to low volume of business during the first quarter of the year.

3. Current Year Prospects

Barring any unforeseen circumstances, despite the global financial crisis and with the cost control measures being undertaken by the Company, the Directors are cautiously optimistic that the Group's performance will improve for the current financial year.

4. Variance Of Actual Profit From Forecast Profit And Shortfall In Profit Guarantee

There is no profit forecast provided in any public document.

5. Taxation

	Current Financial Quarter 31/03/2009 RM'000	Current Financial Year-To-Date 31/03/2009 RM'000
The taxation is in respect of:-		
Transferred from deferred taxation	2	2
	<u>2</u>	<u>2</u>

The deferred taxation was in respect of timing difference arising from the surplus on revaluation of leasehold land held as property, plant and equipment of one of its wholly-owned subsidiary company.

6. Profit / (Loss) on Sales Of Unquoted Investments And/Or Properties

There were no profits or losses on any sales of unquoted investments and/or properties respectively for the current quarter and financial year-to-date.

7. Purchase Or Disposal Of Quoted Securities

There were no purchases or disposals of quoted securities by all companies for the current quarter and financial year-to-date.

8. Corporate Proposal Status

There was no corporate proposal announced but not completed at the date of this report.

9. Group Borrowings

(i) Short Term	RM'000
<u>SECURED</u>	
Hire Purchase	796
Bank Overdrafts	1,370
Bankers Acceptance	3,024
	<u>5,190</u>
<u>UNSECURED</u>	
Bank Overdrafts	43
Bankers Acceptance	229
	<u>272</u>
Total Short Term Borrowings Carried Down	<u>5,462</u>

*Notes To The Quarterly Report For The First Financial Quarter Ended 31 March 2009 (cont'd)*9. Group Borrowings (Cont'd)

	RM'000
Total Short Term Borrowings Brought Down	5,462
(ii) Long Term	
<u>SECURED</u>	
Hire Purchase	739
TOTAL GROUP BORROWINGS	6,201

There was no foreign currency borrowings included in the above balances.

10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risks at the date of this report.

11. Material Litigation

At the date of this report, a Consent Judgement on the litigation settlement sum of RM3.5 million as disclosed in the last quarterly report for the fourth financial quarter ended 31 December 2008, has been recorded at the Shah Alam High Court on 22 April 2009.

12. Dividend

There was no interim dividend declared during the current quarter and financial year-to-date.

13. Earnings Per Share

	Current Financial Quarter 31/03/2009 RM'000	Preceding Financial Quarter 31/03/2008 RM'000	Current Financial Year-To-Date 31/03/2009 RM'000	Preceding Financial Year-To-Date 31/03/2008 RM'000
Net (loss) / profit for the period attributable to members of the	(985)	105	(985)	105
Weighted average number of ordinary shares in issue ('000)	45,382	45,382	45,382	45,382
Basic earnings per share (sen)	<u>(2.2)</u>	<u>0.2</u>	<u>(2.2)</u>	<u>0.2</u>

BY ORDER OF THE BOARD

KOH MUI TEE
Company Secretary
Selangor, 27 May 2009