

POLY GLASS FIBRE (M) BHD (Company No. 42138-X)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 AUGUST 2009

1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date

The Group revenue for the current quarter has decreased by 26.96% to RM9.29 million as compared to the preceding year quarter ended 31 August 2008. The current quarter registered a profit before taxation of RM0.90 million as compared to the preceding year quarter's profit before taxation of RM1.77 million. This was mainly due to the global recession which has affected the demand for its glasswool products.

For the current financial year to-date 31 August 2009, the Group achieved a revenue of RM17.17 million as compared to preceding year to-date of RM22.35 million. The Group has registered a profit before tax of RM1.45 million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM3.28 million. The demand for the glasswool products still remain low due to the prolong global recession.

2. Material Change in the Profit Before Taxation ("PBT") for the quarter reported on as compared to the results of the immediate preceding quarter

The Group recorded a profit before tax of RM0.90 million for the current quarter ended 31 August 2009 as compared to the immediate preceding quarter profit before tax of RM0.55 million. This was mainly as a result of better sales achieved by its glasswool division.

3. Prospects for the Current Financial Year

Barring further unforeseen circumstances, the manufacturing glasswool division in Malaysia is expected to show improved sales revenue for the 3rd and 4th quarter of the current financial year. The expected improved sales revenue mainly due the Australian Government giving rebate of AS1,600 to every house owner for ceiling insulation to reduce energy consumption and to spur the economic recovery.

The property division is not expected to achieve any positive results. The Board will consider all avenues to sustain the value of its development properties in Diamond Creeks Country Retreat.

4. Variance of Actual Profit from Forecast Profit/Profit Guarantee

Not Applicable.

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5. Income Tax

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31Aug 09 RM'000	Preceding Year Quarter 31 Aug 08 RM'000	Current Year To Date 31 Aug 09 RM'000	Preceding Year To Date 31 Aug 08 RM'000
Malaysian Taxation	# 398	# 586	# 743	# 1,148
Foreign Taxation	-	-	-	-
Deferred Taxation	-	-	-	-
	398	586	743	1,148

The effective tax rate of the Group is higher than the statutory tax rate as the tax charge relates to tax on profits of certain subsidiaries which cannot be set-off against losses of other subsidiaries for tax purposes as group relief is not available.

6. Profits/(Losses) on sale of unquoted investments and/or properties

There were no profits/(losses) on sale of unquoted investments and/or properties for the current quarter and financial period to-date.

7. Quoted Securities

There were no purchases or disposals of quoted securities for the current quarter and financial period to-date.

8. Status of Corporate Proposals

Not Applicable

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AUGUST 2009 (Cont'd)**

9. Group Borrowings

	As at 31 Aug 2009 RM'000	As at 28 Feb 2009 RM'000
Long term borrowings, secured		
<i>Analysis of repayment</i>		
Between 1 - 2 years	443	905
Advance from a shareholder, unsecured	22,827	22,827
	23,270	23,732
Short term borrowings		
<i>Secured</i>		
Short term loans	955	939
Bank overdraft	154	-
Other borrowings	4	1,097
	1,113	2,036
<i>Unsecured</i>		
Bank overdrafts	249	64
Other borrowings	185	1,575
	434	1,639
	1,547	3,675

10. Off Balance Sheet Financial Instruments

There were no off Balance Sheet financial instruments as at 22 October 2009.

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AUGUST 2009 (Cont'd)**

11. Material Litigation

Golden Approach Sdn Bhd ("GASB")

- i) GASB has been served a court summon in August 2003 by one of its purchasers claiming liquidated damages for late delivery of the property. The solicitors for GASB have filed the Statement of Defence for the suit.
- ii) On 17 September 2002, GASB filed a Writ of Summons and Statement of Claim in the Shah Alam High Court ("SAHC") against Diamond Power Bhd ("DPB") for the recovery of a debt of RM1,687,928.98 owing by DPB to GASB for various works done and cost incurred by GASB on DPB's behalf. Judgment was granted by the SAHC on 2 July 2004 in favour of GASB for the sum of RM1,687,928.98 together with interest of 8% per annum from the date of the writ of summons until full realisation.

On 10 October 2002, GASB filed a Writ of Summons and Statement of Claim in the SAHC against DPB for the recovery of RM5,250,000.00. The said sum has been paid by GASB to DPB as a commitment fee for the issuance of 1,500 memberships to the club to be built by DPB at RM3,500.00 for each membership prior to the procurement of the approval by the authorities for the issuance of such membership. DPB has failed to obtain any approval from the relevant authorities for the issuance of such membership to date. Judgment was granted by the SAHC on 27 June 2003 in favour of GASB for the sum RM5,250,000.00 together with interest of 8% per annum from the date of the writ of summons until full realisation.

Based on information that DPB has been wound-up, GASB has filed two proof of debts on 16 January 2004 for the sums RM1,687,928.98 and RM5,250,000.00 with the Official Receiver.

- iii) On 20 July 2005, GASB has been served a Writ of Summons and a Statement of Claim issued from the Kuala Lumpur High Court ("KLHC") by a contractor of GASB for claims of RM3,212,688.78 (being outstanding sum on Interim Certificates issued by the Engineer and a further amount derived from the Plaintiff's final claim amounting to RM1,316,783.76 and RM1,895,905.02 respectively). GASB disputes the claims.

On 3 April 2006, the Deputy Registrar of the KLHC has allowed GASB's application to strike out the Statement of Claim with cost. On 2 August 2007 the KLHC Judge has decided against the Plaintiff's appeal on the Deputy Registrar's decision.

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- iii) The Plaintiff has appealed to the Court of Appeal ("COA") against the KLHC's decision and the COA has on 13 August 2009 dismissed the Plaintiff's appeal.

The Plaintiff has on 14 September 2009 filed a motion in the Federal Court "FC" for leave to appeal against the COA's decision and the FC has fixed 6 November 2009 for case management.

- iv) On 3 July 2007, GASB served a Writ of Summons and Statement of Claim issued from the SAHC against Distinct Acres Sdn Bhd ("DASB") for a declaration that the licence given to DASB to continue harvesting the oil palm estate at Diamond Creeks Country Retreat has been terminated on 30 April 2004 and for an injunction to stop DASB from continuing to harvest and further claims inter-alia for damages for failure to continue the upkeep of the oil palm estate, and a sum of RM8,000 from 1 May 2004 till the date DASB ceases harvesting.

On 15 February 2008, GASB filed a Summons in Chamber for Summary Judgment for part of the claim against DASB. The SAHC has on 6 May 2009 allowed GASB's application in the said summons in chamber. DASB has on 3 June 2009 filed an appeal to the Court of Appeal ("COA") against the SAHC's decision, and has on 4 June 2009 filed a summons in chamber for a stay of execution pending appeal. The SAHC has fixed 28 October 2009 for hearing of the stay application. The COA has yet to fix a date for hearing of the appeal.

- v) On 30 December 2008, GASB has been served with a summons and Statement of Claim issued from the Teluk Intan Sessions Court by the Majlis Daerah Tanjong Malim ("MDTM") for claims of RM123,648.06 (inclusive of RM9,126.51 legal and notice costs) allegedly owing to MDTM for the arrears of assessment. The solicitors for GASB have filed the Statement of Defence and the court has fixed 5 November 2009 for mention.

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AUGUST 2009 (Cont'd)**

12. Dividend

The Board of Directors does not recommend any dividend for the period ended 31 August 2009.

13. Earnings Per Share

Basic Earnings Per Share - The basic earnings per ordinary share has been calculated by dividing the Group's net profit for the current year to date of RM709,406 (2008: net profit RM2,127.343) by the weighted average number of ordinary shares of the Company in issue during the current financial year to date of 159,974,948 shares (2008: 159,974,948).

By Order of the Board

Ch'ng Lay Hoon
Company Secretary

Dated this 27th day of October 2009