



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND QUARTER ENDED 30 JUNE 2008**

A. DISCLOSURE REQUIREMENTS AS PER FRS 134

Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The quarterly financial report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2007.

Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007.

Audit Report Qualification and Status of Matters Raised

The annual audited financial statements of the Group for the year ended 31 December 2007 were not subject to any qualifications.

Seasonal or Cyclical Nature of Operations

The Group operates in three main business segments which can be affected by seasonal and cyclical factors of operations.

Items of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

Changes in Estimates

There were no significant changes in the estimates which give a material effect for the current quarter.

Valuation of property, plant and equipment

Land and buildings have been brought forward, without amendment from the audited financial statements for the financial year ended 31 December 2007.



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Changes in Debt and Equity Securities

There were no issuance and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares for the current interim financial year under review.

Dividends Paid

There were no dividends paid in the current interim period under review.

Material Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the end of the current interim period that have not been reflected in the financial statements for the said period as at the date of this report.

Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

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Segmental information for the financial period ended 30 June 2008.

	Paper products 2008 RM'000	Plastic products 2008 RM'000	Colour Separation & Printing 2008 RM'000	Others 2008 RM'000	Elimination 2008 RM'000	Consolidated 2008 RM'000
Business Segments						
Revenue from external customers	10,752	16,115	7,437	-	-	34,304
Inter-segment revenue	166	1	45	-	(212)	-
Total revenue	10,918	16,116	7,482	-	(212)	34,304
Operating results	(492)	928	1,122	(470)	-	1,088
Interest income						12
Finance costs						(1,210)
Loss before taxation						(110)
Taxation						(66)
Net loss for the period						(176)



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Segmental information for the financial period ended 30 June 2007.

	Paper products 2007 RM'000	Plastic products 2007 RM'000	Colour Separation & Printing 2007 RM'000	Others 2007 RM'000	Elimination 2007 RM'000	Consolidated 2007 RM'000
Business Segments						
Revenue from external customers	10,452	19,044	5,684	-	-	35,180
Inter-segment revenue	279	-	26	-	(305)	-
Total revenue	10,731	19,044	5,710	-	(305)	35,180
Operating results	58	1,842	(3)	(398)	1	1,500
Interest income						12
Finance costs						(1,364)
Profit before taxation						148
Taxation						(144)
Net profit for the period						4

Changes in Contingent Liabilities

At the date of this report, there were no contingent liabilities in respect of the Group.

Inventories

There was an allowance made on inventories for obsolescence amounting to RM15,099 for the current financial period to date.

Provision for Warranties

There was no provision for warranties for the current financial period to date.



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Changes in Tax Rate (Estimates)

This note is not applicable.

Capital Commitments

At the date of this report, the capital commitments of the Group are as follow: -

	2008
Property, plant and equipment – Approved but not contracted for	RM'000
	<u>5,904</u>

Related Party Transactions

There were no significant related party transactions in the current financial period.

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For the quarter ended 30 June 2008, the Group recorded a revenue of RM16.4 million compared to RM18.2 million in 2007 and a loss before taxation of RM0.1 million compared to a profit before taxation of RM0.3 million in 2007. A loss was recorded for the current quarter, mainly due to lower margins resulting from higher raw material costs encountered by the plastics and paper divisions.

Variation of Results against Immediate Preceding Quarter

The Group's revenue for the current quarter amounted to RM16.4 million as compared to RM17.9 million in the first quarter ended 31 March 2008. A loss before taxation of RM0.1 million compared to a loss before taxation of RM4,000 in the immediate preceding quarter. The higher losses in the second quarter compared to the preceding quarter was mainly due to lower margins resulting from higher raw material costs encountered by the plastics and paper divisions.

Prospects

The packaging and printing businesses continue to experience intense competition and the Directors expect the coming quarters to remain challenging. Nevertheless, further efforts will be made to improve revenue and minimise overall costs.

Profit Forecast

This is not applicable.

Taxation

	Quarter ended 30/06/2008 RM'000	Quarter ended 30/06/2007 RM'000	Period ended 30/06/2008 RM'000	Period ended 30/06/2007 RM'000
Taxation for the quarter/period	26	71	82	191
Deferred Taxation for the quarter/period	(16)	-	(16)	(47)
	<u>10</u>	<u>71</u>	<u>66</u>	<u>144</u>

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Disposal of Unquoted Investments or Properties

There were no disposals of unquoted investments or properties included in the results of the Group for the current quarter.

Quoted Securities

There were no disposals or acquisitions of quoted securities for the current quarter.

	30/06/2008
	RM'000
Quoted shares	
At cost	36,684
Less : Diminution in value	(12,222)
	<u>24,462</u>
At market value	<u>13,638</u>

Status of Corporate Proposals Announced

There were no corporate proposals announced during the quarter under review.

Borrowing and Debt Securities

(a) Group borrowings as at the reporting quarter were as follows:-

	30/06/2008
	RM'000
<i>Secured</i>	
Borrowings	17,737
Term Loan	9,892
Hire Purchases Creditors	1,678
Bank Overdrafts	4,852
	34,159
<i>Unsecured</i>	
Borrowings	427
Bank Overdrafts	712
	1,139
Total Borrowings	<u>35,298</u>



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(b) The above borrowings are denominated in Ringgit Malaysia. There are no foreign currencies borrowings.

Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments for the current quarter and financial period to date.

Changes in Material Litigation

As at the date of the report, the Company was not involved in any material litigation:-

Kuala Lumpur High Court (Commercial Division) Write of Summons No : S7-22-320-2008
Plaintiff : A Harvest Century Marketing (M) Sdn Bhd Plaintiff
Defendant : Imagescan Creative Sdn Bhd (A Sub-Subsidiary of Versatile Creative Berhad)

Hearing has been postponed to 10 September 2008 for mention.

Dividends

The Board of Directors does not recommend any dividends for the current financial quarter.

Losses per share - Basic

Basic losses per share is calculated by dividing the Group's net loss for the period of RM175,765 by the number of ordinary shares in issue during the period of 110,643,081.