

UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008

A. NOTES TO THE QUARTERLY FINANCIAL REPORT

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad, and Financial Reporting Standard (FRS) 134: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2007.

The significant accounting policies and methods of computation adopted in these interim financial statements of the Group are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2007 except for the adoption of the following applicable revised FRSs effective for the Group's financial statements for the financial year ending 31 December 2008:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The application of the abovementioned FRSs are not expected to have any material impact on the financial statements of the Group.

The FRS 139, Financial Instruments: Recognition and Measurement has been issued and the effective date has yet to be determined by MASB. The Group will apply this standard when it becomes effective.

2 Audit qualification

The preceding audited financial statements of the Group were not subject to any audit qualification.

3 Seasonality or cyclicity of operations

The business operations of the Group during the financial quarter under review were not materially affected by any seasonal or cyclical factors.

4 Unusual items affecting the assets, liabilities, equity, net income or cash flows

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

5 Material changes in estimates

There were no changes in estimates of amounts, which have a material effect in the current quarter.

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6 Issuances, cancellations, repurchases, resales and repayments of debts and equity securities

There were no cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

7 Dividend paid

There was no dividend paid for the current quarter ended 30 September 2008.

8 Segmental reporting

The Group operates principally in Malaysia and in the manufacture and sale of packaging materials, polyethylene, polypropylene films and sheets and thermoforming sheets.

The Group's internal organisational groupings do not provide a basis for determining a reportable primary and secondary segment. However, sales revenue by geographical market are as follows.

The Group's operation is divided into local and export market.

	Local		Export		Total	
	2008	2007	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	81,327	70,891	59,563	40,833	140,890	111,724

The segment results, assets and liabilities are basically in Malaysia.

9 Property, plant and equipment

The Group did not carry out any valuations on its property, plant and equipment for the current quarter.

10 Material events subsequent to period end

There were no material events subsequent to period end.

11 Changes in composition of the group

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

12 Contingent liabilities

There were no contingent liabilities as at the date of this announcement.

13 Capital commitments

	2008	2007
	RM'000	RM'000
Plant and equipment		
Contracted but not provided for	4,937	3,988
Authorised but not contracted for	nil	nil

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B. ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1 Review of performance

For the 9 months period ended 30 September 2008, the Group achieved a turnover of RM140,890,000 compared to RM111,724,000 of the same period last year, increased by RM29,166,000 or 26.11%. The Group recorded a profit before taxation of RM6,012,000 against the profit before taxation of RM2,005,000 in the previous corresponding period, mainly due to the increased sales volume and selling price in both the local and export markets and the net realised gain on foreign exchange for the 9 months period ended 30 September 2008.

2 Variation of results against preceding quarter

The Group reported a profit before taxation of RM4,270,000 for the third quarter ended 30 September 2008 compared to a profit before taxation of RM1,161,000 in the preceding quarter mainly due to the increased sales volume and selling price in both the local and export markets for the third quarter ended 30 September 2008.

3 Current year prospects

The directors expect the performance of the Group will remain challenging for the financial year ending 31 December 2008 in view of the global credit crisis, food safety compliance issue and a competitive business environment.

4 Profit forecast

No profit forecast was provided for the current quarter and financial year-to-date.

5 Tax expense

Taxation comprises the following:-

	Current Year Quarter 30/09/2008 RM'000	Current Year To Date 30/09/2008 RM'000
Current taxation	nil	130
Current deferred taxation	150	250
	<u>150</u>	<u>380</u>

6 Unquoted investments and properties

There was no disposal of unquoted investments and/or properties for the current quarter and financial year-to-date.

7 Quoted investments

(a) There were no purchases or disposals of quoted securities for the current quarter.

(b) Investment in quoted securities as at end of the reporting quarter are as follows:

	RM
At cost	70,800
At book value	70,800
At market value	41,200

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8 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.

9 Group borrowings and debts securities

The borrowings of the Group denominated in Ringgit Malaysia as at the end of the reporting period are as follows:-

(a) Current	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
Bank overdrafts	-	2,214	2,214
Bankers' acceptance	-	34,843	34,843
Hire Purchase	2,603	-	2,603
Term Loan	2,201	-	2,201
	<u>4,804</u>	<u>37,057</u>	<u>41,861</u>

As at 31/12/2007

Bank overdrafts	-	637	637
Bankers' acceptance	-	28,778	28,778
Hire Purchase	1,429	-	1,429
Term Loan	2,182	-	2,182
	<u>3,611</u>	<u>29,415</u>	<u>33,026</u>

(b) Non-current

	As at 30/09/2008 RM'000	As at 31/12/2007 RM'000
Hire Purchase (secured)	3,786	517
Term Loans (secured)	5,261	6,941
	<u>9,047</u>	<u>7,458</u>

10 Off balance sheet financial instruments

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

11 Changes in material litigation

There were no pending material litigations at the date of this quarterly report.

12 Dividend

(a) The Board declared a tax exempt interim dividend of 3 sen per ordinary share of RM1.00 each amounting to RM1,200,000 for the year ending 31 December 2008 on 14 November 2008 and the said dividend will be paid on 12 January 2009 to shareholders whose names appear on the Company's Record of Depositors on 15 December 2008.

(b) The total dividend per share for the current financial year is 3.0 sen tax exempt (previous year corresponding period: 1.0 sen tax exempt).

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13 Earnings per ordinary shares

(a) Basic earnings per share

The calculation of basic earnings per ordinary share for the current quarter and the 9 months ended 30 September 2008 is based on the net profit after tax of RM4,120,000 and net profit after tax of RM5,632,000 respectively, and the weighted average number of ordinary shares outstanding during the current quarter of 40,000,000.

(b) Diluted earnings per share

No disclosure is made for diluted earning per ordinary share for the period as it is anti-dilutive.