

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 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.

The Group has not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective:

FRSs / Interpretations	Effective date
FRS 4, <i>Insurance Contracts</i>	1 January 2010
FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 8, <i>Operating Segment</i>	1 July 2009
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010

The Group plans to apply the abovementioned FRSs / Interpretations from the annual period beginning 1 January 2010.

The impact of applying FRS 4, FRS 7 and FRS 139 on the financial statements upon first adoption as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed by virtue of the exemptions given in the respective FRSs. The initial application of the above standards (and its consequential amendments) and interpretations is not expected to have any material impact on the financial statements of the Group.

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 31 December 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	105,037	94,316	77,801	54,637	182,838	148,953

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

	2008	2007
	RM'000	RM'000
Corporate guarantees for banking facilities given to subsidiary	84,656	94,475

13 Capital commitments

	2008	2007
	RM'000	RM'000
Plant and equipment		
Contracted but not provided for	1,141	4,330
Authorised but not contracted for	3,748	74

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

1 Review of performance

For the 12 months period ended 31 December 2008, the Group achieved a turnover of RM182,838,000 compared to RM148,953,000 of the same period last year, increased by RM33,885,000 or 22.75%. The Group recorded a profit before taxation of RM7,933,000 against the profit before taxation of RM921,000 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 12 months period ended 31 December 2008.

2 Variation of results against preceding quarter

The Group reported a profit before taxation of RM1,921,000 for the fourth quarter ended 31 December 2008 compared to a profit before taxation of RM4,270,000 in the preceding quarter mainly due to the weaker sales volume in both the local and export markets for the fourth quarter ended 31 December 2008.

3 Current year prospects

The directors expect the performance of the Group will be more challenging for the financial year ending 31 December 2009 in view of the slowdown in global economy and a very 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:-

	Individual quarter ended		Cumulative quarter ended	
	31 December 2008	31 December 2007	31 December 2008	31 December 2007
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the followings:				
Tax expense				
- Current year	(130)	(65)	-	-
- Prior years	-	(520)	-	(520)
	<u>(130)</u>	<u>(585)</u>	<u>-</u>	<u>(520)</u>
Deferred tax expense				
- Current year	39	(22)	39	(22)
- Prior years	19	(75)	269	(75)
	<u>58</u>	<u>(97)</u>	<u>308</u>	<u>(97)</u>
	<u>(72)</u>	<u>(682)</u>	<u>308</u>	<u>(617)</u>

The additional tax savings arising from the utilisation of Reinvestment Allowance against all the chargeable income due to expected achievement of the Process Efficiency Ratio above national average is RM627,000 (2007 : nil).

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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

The investment in quoted securities was disposed at RM32,696 which resulted in a loss on disposal of RM38,104 for the reporting quarter and financial year-to-date.

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	-	-	-
Bankers' acceptance	-	30,932	30,932
Hire Purchase	2,255	-	2,255
Term Loan	2,097	-	2,097
	<u>4,352</u>	<u>30,932</u>	<u>35,284</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 31/12/2008 RM'000	As at 31/12/2007 RM'000
Hire Purchase (secured)	3,365	517
Term Loans (secured)	4,826	6,941
	<u>8,191</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.

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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 ended 31 December 2008 on 14 November 2008 and the said dividend was paid on 12 January 2009 to shareholders whose names appear on the Company's Record of Depositors on 15 December 2008.
- (b) The directors do not recommend any final dividend to be paid for the current quarter ended 31 December 2008.
- (c) 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).

13 Earnings per ordinary shares

(a) Basic earnings per share

The calculation of basic earnings per ordinary share for the current quarter and the 12 months ended 31 December 2008 is based on the net profit after tax of RM1,993,000 and net profit after tax of RM7,625,000 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.