

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2009**

A. NOTES TO THE QUARTERLY FINANCIAL REPORT

1 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standards (FRS), the Companies Act, 1965 and accounting principles generally accepted in Malaysia.

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

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2009

- FRS 8, *Operating Segments*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2010

- FRS 4, *Insurance Contracts*
- FRS 7, *Financial Instruments: Disclosures*
- FRS 101, *Presentation of Financial Statements*
- FRS 123, *Borrowing Costs (revised)*
- FRS 139, *Financial Instruments: Recognition and Measurement*
- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards* and FRS 127, *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Amendments to FRS 2, *Share-based Payment: Vesting Conditions and Cancellations*
- Amendments to FRS 132, *Financial Instruments: Presentation* and FRS 101, *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*
- Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*
- Improvements to FRSs (2009)
- IC Interpretation 9, *Reassessment of Embedded Derivatives*
- IC Interpretation 10, *Interim Financial Reporting and Impairment*
- IC Interpretation 11, FRS 2 – *Group and Treasury Share Transactions*
- IC Interpretation 13, *Customer Loyalty Programmes*
- IC Interpretation 14, FRS 119 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction*

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2009**

1 Basis of preparation (continued)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2010

- FRS 1, *First-time Adoption of Financial Reporting Standards (revised)*
- FRS 3, *Business Combinations (revised)*
- FRS 127, *Consolidated and Separate Financial Statements (revised)*
- Amendments to FRS 2, *Share-based Payment*
- Amendments to FRS 5, *Non-current Assets Held for Sale and Discontinued Operations*
- Amendments to FRS 138, *Intangible Assets*
- IC Interpretation 12, *Service Concession Agreements*
- IC Interpretation 15, *Agreements for the Construction of Real Estate*
- IC Interpretation 16, *Hedges of a Net Investment in a Foreign Operation*
- IC Interpretation 17, *Distribution of Non-cash Assets to Owners*
- Amendments to IC Interpretation 9, *Reassessment of Embedded Derivatives*

The Group and the Company plan to apply:

- FRS 7, FRS 8, FRS 101, FRS 139, Amendments to FRS 127, Amendments to FRS 139, Improvements to FRSs (2009) from the annual period beginning 1 January 2010; and
- FRS 1 (revised), FRS 3 (revised) and FRS 127 (revised) from the annual period beginning 1 January 2011.

The other standards, amendments and interpretations are not applicable to the Group and the Company.

The initial application of a standard, an amendment or an interpretation, which will be applied prospectively, is not expected to have any financial impacts to the current and prior periods financial statements upon their first adoption.

The impacts and disclosures as required by FRS 108.30(b), *Accounting Policies, Changes in Accounting Estimates and Errors*, in respect of applying FRS 7 and FRS 139 are not disclosed by virtue of the exemptions given in these respective FRSs.

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.

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2009**

6 Issuances, cancellations, repurchases, resales and repayments of debts and equity securities
The Group's issued and paid-up capital increased from RM40,000,000 to RM42,106,000 during the current quarter as a result of:

- (a) Issuance and exercise of 2,097,000 new ordinary shares of RM1 each under the Employees' Share Option Scheme (ESOS); and
- (b) Issuance and exercise of 9,000 new ordinary shares of RM1.50 each under the Employees' Share Option Scheme (ESOS).

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

7 Dividend paid
The board declared an interim dividend of 3 sen tax exempt per ordinary share of RM 1.00 each totaling RM1,200,000.00 on 19th August 2009, based on issued and paid up capital as at 30th September 2009 and paid in the current quarter on 19th October 2009.

8 Segment information
The Group operates principally in Malaysia and in the manufacture and sale of flexible packaging materials.

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

	2009 RM'000	2008 RM'000 Restated
Corporate guarantees for banking facilities given to subsidiary	17,860	43,475

13 Capital commitments

	2009 RM'000	2008 RM'000
Plant and equipment Contracted but not provided for	4,564	1,141
Authorised but not contracted for	-	3,748

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2009**

**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 2009, the Group achieved a turnover of RM159,078,000 compared to RM182,838,000 of the same period last year, decreased by RM23,760,000 or 13%, mainly due to the weaker sales volume for the 12 months period ended 31 December 2009.

The Group recorded a profit before taxation of RM20,758,000 against the profit before taxation of RM7,933,000 in the previous corresponding period, mainly due to higher sales of better sales mix and lower operating cost for the 12 months period ended 31 December 2009.

2 Variation of results against preceding quarter

The Group reported a profit before taxation of RM6,039,000 for the fourth quarter ended 31 December 2009 compared to a profit before taxation of RM5,734,000 in the preceding quarter mainly due to the reason as stated above.

3 Current year prospects

The Group will continue with its efforts to improve its operational efficiency, productivity and quality. Barring unforeseen circumstances, the directors expect the Group will achieve satisfactory results for the financial year ending 31 December 2010.

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 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
The tax expense comprises the followings:				
Tax expense				
- Current year	(650)	(130)	113	-
	<u>(650)</u>	<u>(130)</u>	<u>113</u>	<u>-</u>
Deferred tax expense				
- Current year	621	39	621	39
- Prior year	-	19	-	269
	<u>621</u>	<u>58</u>	<u>621</u>	<u>308</u>
	<u>(29)</u>	<u>(72)</u>	<u>734</u>	<u>308</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

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

8 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2009**

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:-

	31 December 2009 RM'000	31 December 2008 RM'000
Non-Current		
<i>Secured</i>		
Term Loans	5,168	4,826
Finance Lease Liabilities	1,939	3,365
	7,107	8,191
Current		
<i>Secured</i>		
Term Loans	2,978	2,097
Finance Lease Liabilities	1,435	2,255
	4,413	4,352
<i>Unsecured</i>		
Bankers' Acceptance	6,339	30,932
	6,339	30,932
	10,752	35,284
	17,859	43,475

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) First tax exempt interim dividend of 3 sen per ordinary share of RM1.00 each amounting to RM1,200,000 has been paid on 15th July 2009 to shareholders whose names appear on the Company's Record of Depositors on 16th June 2009.
- (b) Second tax exempt interim dividend of 3 sen per ordinary share of RM1.00 each amounting to RM1,200,000 has been paid on 19th October 2009 to shareholders whose names appear on the Company's Record of Depositors on 30th September 2009.
- (c) Third tax exempt interim dividend of 3 sen per ordinary share of RM1.00 each amounting to RM1,261,740 has been paid on 18th January 2010 to shareholders whose names appear on the Company's Record of Depositors on 21st December 2009.
- (d) The Board declared a tax exempt interim dividend of 3 sen per ordinary share of RM1.00 each on 25th February 2010 in respect of the financial year ended 31st December 2009 and the said dividend will be paid on 2nd April 2010 to shareholders whose names appear on the Company's Record of Depositors on 15th March 2010.

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2009**

13 Earnings per ordinary shares

Basic earnings per ordinary share

The calculation of basic earnings per share for the current quarter and the 12 months period ended 31 December 2009 is based on the net profit after tax respectively and the weighted average number of ordinary shares during the current quarter.

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Net Profit attributable to ordinary shareholders (RM'000)	6,068	1,993	20,024	7,625
<u>Weighted average ordinary share ('000)</u>				
~ At the beginning of the year	40,000	40,000	40,000	40,000
~ Issued during the current quarter/ year	290	-	290	-
	40,290	40,000	40,290	40,000
Basic earnings per ordinary share (sen)	<u>15.06</u>	<u>4.98</u>	<u>49.70</u>	<u>19.06</u>

Diluted earnings per ordinary share

No disclosure is made for the diluted earnings per share for the current quarter and current year as it is anti-dilutive.