

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2010**

**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 2009. 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 2009.

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 2009.

The Group and the Company have adopted the following FRSs that are relevant to the group's operations and effective for the financial period beginning 1 January 2010:

- FRS 8, *Operating Segments*
- 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 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*
- Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*
- Improvements to FRSs (2009)
- IC Interpretation 10, *Interim Financial Reporting and Impairment*
- IC Interpretation 14, FRS 119 – *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction*

The initial applications of the above FRSs, amendments to FRSs, and IC interpretation do not have significant financial impacts on the financial reporting of the Group and the Company.

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2010**

**1 Basis of preparation (continued)**

The following FRSs, amendments to FRSs, and IC Interpretation were issued and effective for annual periods beginning on or after 1 July 2010. They will be adopted in the annual financial statements of the Group and the Company when they become effective:

- 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 (Amendment relating to scope of FRS 2 and FRS 3)*
- 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*
- Amendments to IC Interpretation 9, *Reassessment of Embedded Derivatives*

**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.

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

The Group's issued and paid-up capital increased from RM42,106,000 to RM42,997,900 during the current quarter as a result of:

- (a) Issuance and exercise of 407,000 new ordinary shares of RM1 each under the Employees' Share Option Scheme (ESOS); and
- (b) Issuance and exercise of 484,900 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 RM1,261,740.00 on 17<sup>th</sup> November 2009, based on issued and paid up capital as at 21<sup>st</sup> December 2009 and paid in the current quarter on 18<sup>th</sup> January 2010.

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2010**

**8 Segment information**

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

The Group's operation is divided into local and export market. The local market relates to sales to customers within Malaysia. The export market relates to sales to overseas customers with South East Asia being the principal market segment.

	<b>Individual Quarter Ended</b>	
	<b>31 March 2010 RM'000</b>	<b>31 March 2009 RM'000</b>
Revenue		
- Local	26,020	24,531
- Export	21,095	12,043
	47,115	36,574

**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**

	<b>31 March 2010 RM'000</b>	<b>31 March 2009 RM'000 Restated</b>
Corporate guarantees for banking facilities given to subsidiary	18,901	28,616

**13 Capital commitments**

	<b>31 March 2010 RM'000</b>	<b>31 March 2009 RM'000</b>
Plant and equipment Contracted but not provided for	-	3,143
Authorised but not contracted for	-	351

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2010**

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

**1 Review of performance**

For the 3 months period ended 31 March 2010, the Group achieved a turnover of RM47,115,000 compared to RM36,574,000 of the same period last year, increased by RM10,541,000 or 28.82%, mainly due to the increase in sales volume for the 3 months period ended 31 March 2010.

The Group recorded a profit before taxation of RM5,654,000 against the profit before taxation of RM4,071,000 in the previous corresponding period, mainly due to the reason as stated above.

**2 Variation of results against preceding quarter**

The Group reported a profit before taxation of RM5,654,000 for the first quarter ended 31 March 2010 compared to a profit before taxation of RM6,039,000 in the preceding quarter mainly due to the rising in raw materials prices throughout the current quarter and the unrealised foreign exchange loss for the first quarter ended 31 March 2010.

**3 Current year prospects**

The Group will strive to ensure that it continues to achieve satisfactory results for the financial year ending 31 December 2010 by continuing its efforts to improve its operational efficiency, productivity and quality.

**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 March 2010	31 March 2009	31 March 2010	31 March 2009
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the followings:				
Tax expense				
- Current year	503	310	503	310
	<u>503</u>	<u>310</u>	<u>503</u>	<u>-</u>
Deferred tax expense				
- Current year	-	-	-	-
- Prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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.

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2010**

**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:-

	<b>31 March 2010 RM'000</b>	<b>31 December 2009 RM'000</b>
<b>Non-Current</b>		
<i>Secured</i>		
Term Loans	6,754	5,168
Finance Lease Liabilities	1,633	1,939
	8,387	7,107
<b>Current</b>		
<i>Secured</i>		
Term Loans	3,814	2,978
Finance Lease Liabilities	1,327	1,435
	5,141	4,413
<i>Unsecured</i>		
Bankers' Acceptance	5,373	6,339
	5,373	6,339
	10,514	10,752
	18,901	17,859

**10 Off balance sheet financial instruments**

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

**11 Disclosure of derivatives**

There were no financial derivatives for financial quarter ended 31 March 2010.

**12 Changes in material litigation**

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

**13 Dividend**

- (a) Fourth tax exempt interim dividend of 3 sen per ordinary share of RM1.00 each amounting to RM1,287,879 in respect of the financial year ended 31 December 2009 has been paid on 2<sup>nd</sup> April 2010 to shareholders whose names appear on the Company's Record of Depositors on 15<sup>th</sup> March 2010.
- (b) The Board declared a tax exempt interim dividend of 3.5 sen per ordinary share of RM1.00 each on 26<sup>th</sup> May 2010 in respect of the financial year ended 31<sup>st</sup> December 2010 and the said dividend will be paid on 2<sup>nd</sup> July 2010 to shareholders whose names appear on the Company's Record of Depositors on 11<sup>th</sup> June 2010.

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2010**

**14 Earnings per ordinary shares**

**Basic earnings per ordinary share**

The calculation of basic earnings per share for the current quarter 3 months period ended 31 March 2010 is based on the net profit after tax respectively and the weighted average number of ordinary shares during the current quarter.

	<b>Individual Quarter Ended</b>		<b>Cumulative Quarter Ended</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Net Profit attributable to ordinary shareholders (RM'000)	5,151	3,761	5,151	3,761
<b><u>Weighted average ordinary share ('000)</u></b>				
~ At the beginning of the year	42,106	40,000	42,106	40,000
~ Issued during the current quarter	677	-	677	-
	42,783	40,000	42,783	40,000
<b>Basic earnings per ordinary share (sen)</b>	<u>12.04</u>	<u>9.40</u>	<u>12.04</u>	<u>9.40</u>

**Diluted earnings per ordinary share**

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