



**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2010**

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the third quarter ended 30 September 2010. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended		Nine months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM '000	RM '000	RM '000	RM '000
Revenue	<u>43,492</u>	<u>40,913</u>	<u>134,838</u>	<u>118,936</u>
Operating Profit	3,404	6,005	13,357	15,839
Interest Income	17	9	41	21
Finance costs	<u>(288)</u>	<u>(280)</u>	<u>(894)</u>	<u>(1,141)</u>
Profit before taxation	3,133	5,734	12,504	14,719
Tax expense	<u>(106)</u>	<u>(63)</u>	<u>(852)</u>	<u>(763)</u>
Profit for the period	<u><u>3,027</u></u>	<u><u>5,671</u></u>	<u><u>11,652</u></u>	<u><u>13,956</u></u>
Attributable to:				
Equity holders of the Company	3,027	5,671	11,652	13,956
Minority interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit for the period	<u><u>3,027</u></u>	<u><u>5,671</u></u>	<u><u>11,652</u></u>	<u><u>13,956</u></u>
Weighted average number of shares in issue ('000)	108,286	108,131 *	108,065	107,113 *
Basic earnings per ordinary share (sen)	<u><u>2.80</u></u>	<u><u>5.24</u></u>	<u><u>10.78</u></u>	<u><u>13.03</u></u>

* For comparative purpose, the Earning Per Share for the quarter/ period ended 30 September 2009 had been adjusted to reflect the bonus issue of 1 for every 4 ordinary shares held by the entitled shareholders after the share split, par value RM0.50 each which was completed on 6th September 2010.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30.09.2010 RM '000	Audited As at 31.12.2009 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	60,259	58,237
Intangible assets	124	141
Total non-current assets	<u>60,383</u>	<u>58,378</u>
Current assets		
Inventories	32,756	26,375
Trade and other receivables	35,460	34,683
Tax recoverable	-	4
Cash and bank balances	6,912	9,034
Total current assets	<u>75,128</u>	<u>70,096</u>
TOTAL ASSETS	<u>135,511</u>	<u>128,474</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	54,172	42,106
Reserves	31,708	35,061
Total equity	<u>85,880</u>	<u>77,167</u>
Non-current liabilities		
Loans and borrowings	5,955	7,107
Employee benefits	534	551
Deferred tax liabilities	6,648	6,648
Total non-current liabilities	<u>13,137</u>	<u>14,306</u>
Current liabilities		
Trade and other payables	19,549	24,934
Loans and borrowings	14,560	10,752
Taxation	804	11
Dividends payable	1,581	1,304
Total current liabilities	<u>36,494</u>	<u>37,001</u>
Total liabilities	<u>49,631</u>	<u>51,307</u>
TOTAL EQUITY AND LIABILITIES	<u>135,511</u>	<u>128,474</u>
Net assets per share (RM)	0.79	0.72 *

* For comparative purpose, the Net Assets per share for the year ended 31 December 2009 had been adjusted to reflect the bonus issue of 1 for every 4 ordinary shares held by the entitled shareholders after the share split, par value RM0.50 each which was completed on 6th September 2010.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to shareholders of the Company					
	Non-distributable				Distributable	Total equity RM '000
	Share capital RM '000	Share premium RM '000	Merger reserves RM '000	Revaluation reserves RM '000	Retained earnings RM '000	
At 1 January 2009	40,000	436	2,991	2,031	13,236	58,694
Realisation of reserves	-	-	-	(82)	82	-
Share options exercised	2,106	-	-	-	-	2,106
Transfer to share premium for share options exercised	-	5	-	-	-	5
Profit for the year	-	-	-	-	20,024	20,024
Dividends to shareholders	-	-	-	-	(3,662)	(3,662)
At 31 December 2009	<u>42,106</u>	<u>441</u>	<u>2,991</u>	<u>1,949</u>	<u>29,680</u>	<u>77,167</u>
At 1 January 2010	42,106	441	2,991	1,949	29,680	77,167
<i>Issue of shares pursuant to:</i>						
- Exercise of ESOS	1,232	-	-	-	-	1,232
- Bonus shares	10,834	-	-	-	(10,834)	-
Transfer to share premium for share options exercised	-	281	-	-	-	281
Expenses in relation to issuance of bonus shares and share split	-	(138)	-	-	-	(138)
Profit for the period	-	-	-	-	11,652	11,652
Dividends to shareholders	-	-	-	-	(4,314)	(4,314)
At 30 September 2010	<u>54,172</u>	<u>584</u>	<u>2,991</u>	<u>1,949</u>	<u>26,184</u>	<u>85,880</u>
At 1 January 2008	40,000	436	2,991	3,261	5,981	52,669
Realisation of reserves	-	-	-	(1,230)	1,230	-
Profit for the year	-	-	-	-	7,625	7,625
Dividends to shareholders	-	-	-	-	(1,600)	(1,600)
At 31 December 2008	<u>40,000</u>	<u>436</u>	<u>2,991</u>	<u>2,031</u>	<u>13,236</u>	<u>58,694</u>
At 1 January 2009	40,000	436	2,991	2,031	13,236	58,694
Profit for the period	-	-	-	-	13,956	13,956
Dividends to shareholders	-	-	-	-	(2,400)	(2,400)
At 30 September 2009	<u>40,000</u>	<u>436</u>	<u>2,991</u>	<u>2,031</u>	<u>24,792</u>	<u>70,250</u>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Nine months ended 30.09.2010 RM '000	Unaudited Nine months ended 30.09.2009 RM '000
Net cash from operating activities	7,836	27,799
Net cash (used in) investing activities	(9,056)	(3,748)
Net cash (used in) financing activities	(902)	(27,094)
Net increase in cash and cash equivalents	<u>(2,122)</u>	<u>(3,043)</u>
Cash and cash equivalents at 1 January	9,034	8,992
Cash and cash equivalents at 30 September	<u><u>6,912</u></u>	<u><u>5,949</u></u>

Cash and cash equivalents at the end of the financial period comprise the following:

Cash and bank balances	<u><u>6,912</u></u>	<u><u>5,949</u></u>
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(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)



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 117, *Leases*
- 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.



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*

(a) Amendments to FRS 117: Leases (FRS 117)

Amendment to FRS 117 sets out the new requirement where leasehold land which is in substance is a finance lease will be reclassified to property, plant and equipment. The Group has reassessed and determined that leasehold land of the Group which are in substance finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendment.

The reclassification does not affect the basic and diluted earnings per ordinary share for the current and prior periods.

The following comparative figures have been restated following the adoption of the amendment to FRS 117 :

	As at 31 December 2009	
	As restated	As audited report
	RM'000	stated
		RM'000
Cost		
Property, plant and equipment	58,237	55,434
Prepaid lease payments	-	2,803
	<u>58,237</u>	<u>58,237</u>

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 RM54,172,375 during the current period as a result of:

- (a) Issuance and exercise of 670,000 new ordinary shares of RM1 each under the Employees' Share Option Scheme (ESOS);
- (b) Issuance and exercise of 561,900 new ordinary shares of RM1.50 each under the Employees' Share Option Scheme (ESOS);
- (c) Share Split involving subdivision of every existing one (1) ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each in the Company ("Share Split"); and
- (d) Bonus Issue of up to 21,668,950 new shares ("Bonus Shares"), to be credited as fully paid up by the Company, on the basis of one (1) Bonus Share for every four (4) shares held by the entitled shareholders of the Company after the Share Split ("Bonus Issue").

The Share Split and Bonus Issue were completed on 6th September 2010. Upon completion, the issued and paid up ordinary share capital listed and quoted on Bursa Malaysia Securities Berhad is now RM54,172,375 comprising 108,344,750 ordinary shares of RM0.50 each.

Ordinary Shares of RM0.50 each

	30 September 2010	
	No. of shares (‘000)	RM'000
As at 1 January 2010	42,106	42,106
Issuance and exercise of ESOS	1,232	1,232
Share split	43,338	-
Bonus shares (1:4)	21,669	10,834
As at 30 September 2010	108,345	54,172

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 3.5 sen tax exempt per ordinary share of RM 1.00 each totaling RM1,509,214.00 on 26th May 2010, based on issued and paid up capital as at 11th June 2010 and paid in the current quarter on 2nd July 2010.



**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 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.

	Individual quarter ended		Cumulative quarter ended	
	30 September 2010	30 September 2009	30 September 2010	30 September 2009
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Local	24,683	21,272	77,641	72,969
- Overseas	18,809	19,641	57,197	45,967
	<u>43,492</u>	<u>40,913</u>	<u>134,838</u>	<u>118,936</u>

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

	30 September 2010	30 September 2009
	RM'000	RM'000
Corporate guarantees for banking facilities given to subsidiary	<u>20,515</u>	<u>Restated 17,859</u>

13 Capital commitments

	30 September 2010	30 September 2009
	RM'000	RM'000
Plant and equipment Contracted but not provided for	<u>785</u>	<u>8,031</u>
Authorised but not contracted for	<u>-</u>	<u>-</u>



**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 2010, the Group achieved a turnover of RM134,838,000 compared to RM118,936,000 of the same period last year, an increased of 13.37%, mainly due to the increase in export sales volume.

The Group recorded a lower profit before taxation of RM12,504,000 against the profit before taxation of RM14,719,000 in the previous corresponding period, mainly due to the increase in raw materials prices.

2 Variation of results against preceding quarter

The Group reported a lower profit before taxation of RM3,133,000 for the third quarter ended 30 September 2010 compared to a profit before taxation of RM3,718,000 in the preceding quarter mainly due to the reason as stated above.

3 Current year prospects

The Group remains cautious as the raw materials prices are in uptrend situation. As such, 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 price strategy, market share, operational efficiency, productivity and quality. The Group expects the demand for the products to remain strong for the remaining period of the financial year.

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	
	30 September 2010	30 September 2009	30 September 2010	30 September 2009
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	106	63	852	763
	<u>106</u>	<u>63</u>	<u>852</u>	<u>763</u>
Deferred tax expense				
- Current period	-	-	-	-
- Prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>106</u>	<u>63</u>	<u>852</u>	<u>763</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 were corporate proposals announced for the period under review:-

On 27 July 2010, the Company announced the following corporate proposals:

- (a) Proposed share split involving the subdivision of every existing one (1) ordinary share of RM1.00 each in the Company into two (2) ordinary shares of RM0.50 each in the Company held by the entitled shareholders of the Company on an entitlement date to be determined and announced later;
- (b) Proposed bonus issue of up to 21,728,250 new Subdivided Shares, to be credited as fully-paid up by the Company, on the basis of one (1) Bonus Share for every four (4) Subdivided Shares held by the entitled shareholders of the Company on the Entitlement Date;
- (c) Proposed amendment to the Memorandum of Association of the Company to facilitate the implementation of the Proposed Share Split; and
- (d) Proposed increase in the authorised share capital of the Company from the existing RM50,000,000 comprising 50,000,000 Shares to RM100,000,000 comprising 200,000,000 Subdivided Shares.

Reference is made to the Company's announcement dated 6 July 2010 in relation to the above mentioned Proposals.

The above mentioned proposals were completed and granted listing and quotation on the Main Market of Bursa Malaysia Securities Berhad on 6th September 2010.



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:-

	30 September 2010 RM'000	31 December 2009 RM'000
Non-current		
<i>Secured</i>		
Term loans	4,764	5,168
Finance lease liabilities	1,191	1,939
	5,955	7,107
Current		
<i>Secured</i>		
Term loans	3,976	2,978
Finance lease liabilities	1,037	1,435
	5,013	4,413
<i>Unsecured</i>		
Bankers' acceptances	9,547	6,339
	9,547	6,339
	14,560	10,752
	20,515	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 30 September 2010.

12 Changes in material litigation

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

13 Dividend

- (a) First tax exempt interim dividend of 3.5 sen per ordinary share of RM1.00 each amounting to RM1,509,214 in respect of the financial year ending 31 December 2010 has been paid on 2nd July 2010 to shareholders whose names appear on the Company's Record of Depositors on 11th June 2010.
- (b) Second tax exempt interim dividend of 1.4 sen per ordinary share of RM0.50 each amounting to RM1,516,826 in respect of the financial year ending 31 December 2010 has been paid on 1st October 2010 to shareholders whose names appear on the Company's Record of Depositors on 14th September 2010.
- (c) The Board declared a tax exempt interim dividend of 1.4 sen per ordinary share of RM0.50 each on 4th November 2010 in respect of the financial year ending 31st December 2010 and the said dividend will be paid on 20 December 2010 to shareholders whose names appear on the Company's Record of Depositors on 1 December 2010.



14 Earnings per ordinary shares

Basic earnings per ordinary share

The calculation of basic earnings per share for the current quarter and 9 months period ended 30 September 2010 is based on the net profit after tax respectively and the weighted average number of ordinary shares during the current quarter/ period.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30 September 2010	30 September 2009	30 September 2010	30 September 2009
Net Profit attributable to ordinary shareholders (RM'000)	3,027	5,671	11,652	13,956
Weighted average ordinary share ('000)				
~ At the beginning of the quarter/ period	108,131	108,131	107,113	107,113
~ Issued during the current quarter/ period	155	-	952	-
	108,286	108,131	108,065	107,113
Basic earnings per ordinary share (sen)	<u>2.80</u>	<u>5.24</u>	<u>10.78</u>	<u>13.03</u>

- *For comparative purpose, the number of ordinary shares for the quarter/ period ended 30 September 2009 had been adjusted to reflect the bonus issue of 1 for every 4 ordinary shares held by the entitled shareholders after the share split, par value RM0.50 each which was completed on 6th September 2010.*

Diluted earnings per ordinary share

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