



**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2011**

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the second quarter ended 30 June 2011. The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended		Six months ended	
	30.06.2011 RM '000	30.06.2010 RM '000	30.06.2011 RM '000	30.06.2010 RM '000
Revenue	<u>54,782</u>	<u>44,232</u>	<u>106,137</u>	<u>91,346</u>
Operating Profit	3,238	4,011	6,743	9,953
Interest Income	36	13	59	24
Finance costs	<u>(253)</u>	<u>(306)</u>	<u>(511)</u>	<u>(606)</u>
Profit before taxation	<u>3,021</u>	<u>3,718</u>	<u>6,291</u>	<u>9,371</u>
Income tax expense	<u>(264)</u>	<u>(243)</u>	<u>(530)</u>	<u>(746)</u>
Profit for the period/ Total comprehensive income for the period/ Attributable to owners of the Company	<u><u>2,757</u></u>	<u><u>3,475</u></u>	<u><u>5,761</u></u>	<u><u>8,625</u></u>
Weighted average number of shares in issue ('000)	108,427	108,119 *	108,334	107,955 *
Basic earnings per ordinary share (sen)	<u><u>2.54</u></u>	<u><u>3.21</u></u>	<u><u>5.32</u></u>	<u><u>7.99</u></u>

* For comparative purpose, the Earning Per Share for the quarter ended 30 June 2010 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 2010 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30.06.2011 RM '000	Audited As at 31.12.2010 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	58,074	59,565
Intangible assets	88	109
Total non-current assets	<u>58,162</u>	<u>59,674</u>
Current assets		
Inventories	35,611	38,526
Trade and other receivables	45,574	39,010
Tax recoverable	-	-
Cash and cash equivalents	7,508	9,014
Total current assets	<u>88,693</u>	<u>86,550</u>
TOTAL ASSETS	<u><u>146,855</u></u>	<u><u>146,224</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	54,435	54,298
Reserves	37,104	34,399
Total equity	<u>91,539</u>	<u>88,697</u>
Non-current liabilities		
Loans and borrowings	2,761	4,726
Employee benefits	576	546
Deferred tax liabilities	7,148	7,098
Total non-current liabilities	<u>10,485</u>	<u>12,370</u>
Current liabilities		
Trade and other payables	22,974	26,713
Loans and borrowings	21,098	17,735
Taxation	435	525
Dividends payable	324	184
Total current liabilities	<u>44,831</u>	<u>45,157</u>
Total liabilities	<u>55,316</u>	<u>57,527</u>
TOTAL EQUITY AND LIABILITIES	<u><u>146,855</u></u>	<u><u>146,224</u></u>
Net assets per share (RM)	0.84	0.82

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to shareholders of the Company						Total equity RM '000
	Non-distributable					Distributable	
	Share capital RM '000	Treasury shares RM '000	Share premium RM '000	Merger reserves RM '000	Revaluation reserves RM '000	Retained earnings RM '000	
At 1 January 2010	42,106	-	441	2,991	1,949	29,680	77,167
Total comprehensive income for the year	-	-	-	-	-	15,851	15,851
Transfer of revaluation reserves - Amortisation	-	-	-	-	(82)	82	-
Share options exercised	1,358	-	-	-	-	-	1,358
Share premium on share options exercised	-	-	306	-	-	-	306
Expenses for bonus shares issue	-	-	(151)	-	-	-	(151)
Bonus shares issue	10,834	-	-	-	-	(10,834)	-
Dividends to owners of the Company	-	-	-	-	-	(5,834)	(5,834)
At 31 December 2010	<u>54,298</u>	<u>-</u>	<u>596</u>	<u>2,991</u>	<u>1,867</u>	<u>28,945</u>	<u>88,697</u>
At 1 January 2011	54,298	-	596	2,991	1,867	28,945	88,697
Total comprehensive income for the period	-	-	-	-	-	5,761	5,761
Share options exercised	137	-	-	-	-	-	137
Share premium on share options exercised	-	-	14	-	-	-	14
Share buy back	-	(25)	-	-	-	-	(25)
Dividends to owners of the Company	-	-	-	-	-	(3,045)	(3,045)
At 30 June 2011	<u>54,435</u>	<u>(25)</u>	<u>610</u>	<u>2,991</u>	<u>1,867</u>	<u>31,661</u>	<u>91,539</u>



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Attributable to shareholders of the Company						
	Non-distributable					Distributable	
	Share capital RM '000	Share premium RM '000	Capital reserves RM '000	Merger reserves RM '000	Revaluation reserves RM '000	Retained earnings RM '000	Total equity RM '000
At 1 January 2009	40,000	436	-	2,991	2,031	13,236	58,694
Total comprehensive income for the year	-	-	-	-	-	20,024	20,024
Transfer of revaluation reserves - Amortisation	-	-	-	-	(82)	82	-
Share options exercised	2,106	-	-	-	-	-	2,106
Share premium on share options exercised	-	5	-	-	-	-	5
Dividends to owners of the Company	-	-	-	-	-	(3,662)	(3,662)
At 31 December 2009	<u>42,106</u>	<u>441</u>	<u>-</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
Total comprehensive income for the period	-	-	-	-	-	8,625	8,625
Transfer of revaluation reserves - Amortisation	-	-	-	-	-	-	-
Share options exercised	1,018	-	-	-	-	-	1,018
Share premium on share options exercised	-	266	-	-	-	-	266
Employee share based expense	-	-	-	-	-	-	-
Dividends to owners of the Company	-	-	-	-	-	(2,797)	(2,797)
At 30 June 2010	<u>43,124</u>	<u>707</u>	<u>-</u>	<u>2,991</u>	<u>1,949</u>	<u>35,508</u>	<u>84,279</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 2010 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Six months ended 30.06.2011 RM '000	Unaudited Six months ended 30.06.2010 RM '000
Net cash from operating activities	3,824	4,726
Net cash (used in) investing activities	(3,436)	(7,530)
Net cash (used in)/ from financing activities	(1,894)	485
Net decrease in cash and cash equivalents	<u>(1,506)</u>	<u>(2,319)</u>
Cash and cash equivalents at 1 January	9,014	9,034
Cash and cash equivalents at 30 June	<u><u>7,508</u></u>	<u><u>6,715</u></u>

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

Short term deposit with licensed banks	1,000	-
Cash and bank balances	<u>6,508</u>	<u>6,715</u>
	<u><u>7,508</u></u>	<u><u>6,715</u></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 2010. 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 2010.

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 2010.

The Group and the Company have adopted the following FRSs, amendments to FRSs, and IC Interpretation that are relevant to the group's operations and effective for the financial period beginning 1 January 2011 as listed below:

- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*
 - *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*
 - *Additional Exemptions for First-time Adopters*
- Amendments to FRS 2, *Group Cash-settled Share Based Payment Transactions*
- Amendments to FRS 7, *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*
- IC Interpretation 4, *Determining whether an Arrangement contains a Lease*
- IC Interpretation 18, *Transfers of Assets from Customers*
- Improvements to FRSs (2010)

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

The following FRSs, amendments to FRSs, and IC Interpretation were issued and effective for annual periods beginning on or after 1 January 2011. They will be adopted in the annual financial statements of the Group and the Company when they become effective:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- IC Interpretation 19, *Extinguishing Financial Liabilities with Equity Instruments*
- Amendments to IC Interpretation 14, *Prepayments of a Minimum Funding Requirement*

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, *Related Party Disclosures* (revised)
- IC Interpretation 15, *Agreements for the Construction of Real Estate*



2 Audit qualification

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

3 Seasonality or cyclical 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

- i. The Group's issued and paid-up capital increased from RM54,329,575 to RM54,434,825 during the current period, as a result of issuance and exercise of 210,500 new ordinary shares of RM0.50 each at par at an exercise price of RM0.60 each under the Employees' Share Option Scheme (ESOS);
- ii. During the current quarter, the Company purchased 26,000 units of its own shares at the average price of RM 0.97 from the open market on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM 25,313 including transaction costs. The repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares as allowed under Section 67A of the Companies Act 1965. None of these treasury shares have been sold or cancelled.

7 Dividend paid

The board declared an interim dividend of 1.4 sen tax exempt per ordinary share of RM 0.50 each totaling RM1,524,147.00 on 5th May 2011, based on issued and paid up capital as at 26th May 2011 and paid in the current quarter on 24th June 2011.

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 June 2011	30 June 2010	30 June 2011	30 June 2010
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Local	30,736	26,938	57,647	52,958
- Overseas	24,046	17,294	48,490	38,388
	<u>54,782</u>	<u>44,232</u>	<u>106,137</u>	<u>91,346</u>



9 Valuations of 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 June 2011	30 June 2010
	RM'000	RM'000
Corporate guarantees for banking facilities given to subsidiary	<u>23,859</u>	<u>20,203</u>

13 Capital commitments

	30 June 2011	30 June 2010
	RM'000	RM'000
Plant and equipment Contracted but not provided for	<u>-</u>	<u>-</u>
Authorised but not contracted for	<u>5,973</u>	<u>122</u>



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

1 Review of performance

For the 6 months period ended 30 June 2011, the Group achieved a turnover of RM106,137,000 compared to RM91,346,000 of the same period last year, an increase of 16%, mainly due to higher sales volume achieved.

The Group recorded a lower profit before taxation of RM6,291,000 against the profit before taxation of RM9,371,000 in the previous corresponding period, mainly due to the increase in raw material prices.

2 Variation of results against preceding quarter

The Group reported a profit before taxation of RM3,021,000 for the second quarter ended 30 June 2011 compared to a profit before taxation of RM3,270,000 in the preceding quarter, mainly due to the increase in raw material prices.

3 Current year prospects

The recent downgrade in US's credit rating and European debt crisis would result in global economic slowdown. Hence, the Group is facing another challenging operating environment.

However, with various measures taken by the Group to improve its productivity, operational efficiency, and focus on its main food and beverage sector, the Board is optimistic that the Group will continue to deliver profitable results for the remaining period ending 31 December 2011.

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 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	214	243	480	746
- Prior year	-	-	-	-
	<u>214</u>	<u>243</u>	<u>480</u>	<u>746</u>
Deferred tax expense				
- Current period	50	-	50	-
- Prior year	-	-	-	-
	<u>50</u>	<u>-</u>	<u>50</u>	<u>-</u>
	<u>264</u>	<u>243</u>	<u>530</u>	<u>746</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.

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 June 2011	31 December 2010
	RM'000	RM'000
Non-current		
<i>Secured</i>		
Term loans	2,166	3,734
Finance lease liabilities	595	992
	2,761	4,726
Current		
<i>Secured</i>		
Term loans	3,612	4,033
Finance lease liabilities	812	945
	4,424	4,978
<i>Unsecured</i>		
Bankers' acceptances	16,674	12,757
	16,674	12,757
	21,098	17,735
	23,859	22,461

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 current quarter ended 30 June 2011.

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 1.4 sen per ordinary share of RM0.50 each amounting to RM1,524,147 in respect of the financial year ending 31 December 2011 has been paid on 24th June 2011 to shareholders whose names appear on the Company's Record of Depositors on 26th May 2011.
- (b) The Board declared a tax exempt interim dividend of 1.4 sen per ordinary share of RM0.50 each on 18th August 2011 in respect of the financial year ending 31st December 2011 and the said dividend will be paid on 22nd September 2011 to shareholders whose names appear on the Company's Record of Depositors on 9th September 2011.



14 Earnings per ordinary shares

Basic earnings per ordinary share

The calculation of basic earnings per share for the current quarter and 6 months period ended 30 June 2011 is based on the net profit after tax respectively and the weighted average number of ordinary shares during the current quarter/ period, adjusted by the number of ordinary shares repurchased during the period under review.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Net Profit attributable to ordinary shareholders (RM'000)	2,757	3,475	5,761	8,625
<u>Weighted average ordinary share ('000)</u>				
~ At the beginning of the quarter	108,236	108,005	108,177	107,113
~ Issued during the current quarter	191	114	157	842
	108,427	108,119	108,334	107,955
Basic earnings per ordinary share (sen)	<u>2.54</u>	<u>3.21</u>	<u>5.32</u>	<u>7.99</u>

- *For comparative purpose, the number of ordinary shares for the quarter ended 30 June 2010 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.

15 Disclosure of realised and unrealised profits/ losses

	As at 30.06.2011 RM'000	As at 31.12.2010 RM'000
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	38,193	35,728
~ Unrealised losses	(6,532)	(6,783)
Total retained earnings of the Group	<u>31,661</u>	<u>28,945</u>