



**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2012**

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the first quarter ended 31 March 2012.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME -
UNAUDITED**

	Three months ended		Three months ended	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
	RM '000	RM '000	RM '000	RM '000
Revenue	<u>52,143</u>	<u>51,355</u>	<u>52,143</u>	<u>51,355</u>
Operating Profit	5,188	3,505	5,188	3,505
Interest income	31	23	31	23
Finance costs	<u>(331)</u>	<u>(258)</u>	<u>(331)</u>	<u>(258)</u>
Profit before taxation	<u>4,888</u>	<u>3,270</u>	<u>4,888</u>	<u>3,270</u>
Income tax expense	<u>(1,362)</u>	<u>(266)</u>	<u>(1,362)</u>	<u>(266)</u>
Profit for the period/ Total comprehensive income for the period/ Attributable to owners of the Company	<u><u>3,526</u></u>	<u><u>3,004</u></u>	<u><u>3,526</u></u>	<u><u>3,004</u></u>
Weighted average number of shares in issue ('000)	109,157	108,236	109,157	108,236
Basic earnings per ordinary share (sen)	<u><u>3.23</u></u>	<u><u>2.78</u></u>	<u><u>3.23</u></u>	<u><u>2.78</u></u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED**

	As at 31.03.2012 RM '000	Audited As at 31.12.2011 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	64,779	56,737
Intangible assets	70	79
Total non-current assets	<u>64,849</u>	<u>56,816</u>
Current assets		
Inventories	30,052	32,117
Trade and other receivables	45,702	44,687
Tax recoverable	-	13
Cash and cash equivalents	5,807	9,569
Total current assets	<u>81,561</u>	<u>86,386</u>
TOTAL ASSETS	<u><u>146,410</u></u>	<u><u>143,202</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	54,580	54,573
Reserves	41,430	39,538
Total equity	<u>96,010</u>	<u>94,111</u>
Non-current liabilities		
Loans and borrowings	4,625	1,169
Employee benefits	579	594
Deferred tax liabilities	7,241	7,141
Total non-current liabilities	<u>12,445</u>	<u>8,904</u>
Current liabilities		
Trade and other payables	21,933	22,775
Loans and borrowings	13,934	16,201
Taxation	1,695	1,022
Dividends payable	393	189
Total current liabilities	<u>37,955</u>	<u>40,187</u>
Total liabilities	<u>50,400</u>	<u>49,091</u>
TOTAL EQUITY AND LIABILITIES	<u><u>146,410</u></u>	<u><u>143,202</u></u>
Net assets per share (RM)	0.88	0.86

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED

	Attributable to owners of the Company						Total equity RM '000
	Non-distributable					Distributable	
	Share capital RM '000	Share premium RM '000	Treasury share RM '000	Merger reserves RM '000	Revaluation reserves RM '000	Retained earnings RM '000	
At 1 January 2012	54,573	637	(103)	2,991	1,785	34,228	94,111
Profit for the year	-	-	-	-	-	3,526	3,526
Realisation of revaluation reserve	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	3,526	3,526
Share options exercised	7	1	-	-	-	-	8
Dividends to shareholders	-	-	-	-	-	(1,635)	(1,635)
At 31 March 2012	<u>54,580</u>	<u>638</u>	<u>(103)</u>	<u>2,991</u>	<u>1,785</u>	<u>36,119</u>	<u>96,010</u>
At 1 January 2011	54,298	595	-	2,991	1,867	28,946	88,697
Profit for the year	-	-	-	-	-	3,004	3,004
Realisation of revaluation reserve	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	3,004	3,004
Share options exercised	32	6	-	-	-	-	38
Dividends to shareholders	-	-	-	-	-	(1,521)	(1,521)
At 31 March 2011	<u>54,330</u>	<u>601</u>	<u>-</u>	<u>2,991</u>	<u>1,867</u>	<u>30,429</u>	<u>90,218</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 2011 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED

	Three months ended 31.03.2012 RM '000	Three months ended 31.03.2011 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,888	3,270
Adjustments for:-		
Amortisation of intangible assets	9	11
Depreciation	2,680	2,446
Interest income	(31)	(23)
Finance costs	331	258
Property, plant and equipment written off	3	-
Unrealised gain on foreign exchange	(275)	(226)
(Gain)/ Loss on disposal of property, plant and equipment	(38)	0.21
(Reversal of expenses)/ Expenses related to defined benefit plans	(16)	23
Operating profit before changes in working capital	<u>7,551</u>	<u>5,759</u>
Change in inventories	2,065	5,436
Change in trade and other receivables	(739)	(1,244)
Change in trade and other payables	<u>(7,346)</u>	<u>(6,448)</u>
Cash generated from operations	1,531	3,503
Tax paid	(576)	(366)
Net cash from operating activities	<u>955</u>	<u>3,137</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(4,220)	(1,481)
Acquisition of intangible assets	(1)	-
Proceeds from disposal of property, plant and equipment	38	0.01
Interest received	31	23
Net Cash used in investing Activities	<u>(4,152)</u>	<u>(1,458)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Three months ended 31.03.2012 RM '000	Three months ended 31.03.2011 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	5,604	-
Repayment of term loans	(1,107)	(987)
Net short term borrowings	(3,974)	1,722
Drawdown of finance lease liabilities	900	-
Payments of finance lease liabilities	(234)	(299)
Proceeds from issuance of shares	9	38
Dividends paid to owners of the Company	(1,432)	(1,324)
Interest paid	(331)	(258)
Net Cash used in financing Activities	<u>(565)</u>	<u>(1,108)</u>
Net (decrease)/ increase in cash and cash equivalents	(3,762)	571
Cash and cash equivalents at 1 January	9,569	9,014
Cash and cash equivalents at 31 March	<u><u>5,807</u></u>	<u><u>9,585</u></u>
 * Cash and cash equivalents at end of the period consist of:-		
Deposit placed with licensed banks	2,000	-
Cash and bank balances	<u>3,807</u>	<u>9,585</u>
	<u><u>5,807</u></u>	<u><u>9,585</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 2011 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 Malaysia Financial Reporting Standard (MFRS) 134: Interim Financial Reporting. These condensed consolidated interim financial statements also comply with IAS34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2011, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. 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 2011.

The Group is currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. As at the date of authorisation of issue of the financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adopting the new MFRS Framework on the Group's first set of financial statements prepared in accordance with the MFRS Framework cannot be determined and estimated reliably until the process is complete.

The followings MFRSs, Amendments to MFRSs and IC interpretation were issued but not yet effective and have not been applied by the Group:

		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
MFRS 10	Consolidated Financial Statements	1 January 2013
MFRS 11	Joint Arrangements	1 January 2013
MFRS 12	Disclosure of Interests in Other Entities	1 January 2013
MFRS 13	Fair Value Measurement	1 January 2013
MFRS 119	Employee Benefits	1 January 2013
MFRS 127	Separate Financial Statements	1 January 2013
MFRS 128	Investments in Associates and Joint Ventures	1 January 2013
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013



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 RM54,573,275 to RM54,580,525 during the current period, as a result of issuance and exercise of 14,500 new ordinary shares of RM0.50 each at par at an exercise price of RM0.60 each under the Employees' Share Option Scheme (ESOS).

7 Dividend paid

The board declared an interim dividend of 1.5 sen tax exempt per ordinary share of RM 0.50 each totaling RM1,635,799 on 28th February 2012, based on issued and paid up capital as at 14th March 2012 and paid in the current quarter on 28th March 2012.

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	
	31 March 2012	31 March 2011
	RM'000	RM'000
Revenue		
- Local	31,075	26,911
- Overseas	21,068	24,444
	<u>52,143</u>	<u>51,355</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

	31 March 2012	31 March 2011
	RM'000	RM'000
Secured corporate guarantees for banking facilities given to subsidiary	<u>9,881</u>	<u>8,418</u>
Unsecured corporate guarantees for banking facilities given to subsidiary	<u>8,678</u>	<u>14,480</u>

13 Capital commitments

	31 March 2012	31 March 2011
	RM'000	RM'000
Plant and equipment Contracted but not provided for	<u>3,315</u>	<u>927</u>
Authorised but not contracted for	<u>445</u>	<u>-</u>



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 2012, the Group achieved a turnover of RM52,143,000 compared to RM51,355,000 of the same period last year, slightly increase of 1.5% driven by domestic sales.

The Group recorded a higher profit before taxation of RM4,888,000 against the profit before taxation of RM3,270,000 in the previous corresponding period, mainly contributed by a better sales mix.

The lower profit before taxation for the same period last year was due to higher raw material prices.

2 Variation of results against preceding quarter

The Group reported a profit before taxation of RM4,888,000 for the first quarter ended 31 March 2012 compared to a profit before taxation of RM3,182,000 in the preceding quarter, mainly due to the reason as stated above.

3 Current year prospects

Despite the global and regional economic outlook in 2012 is expected to be more challenging and uncertain, the Group expects the longer term outlook of the flexible packaging industry to be still positive due to its recession-resilient nature. The Group believes the demand for its products to remain strong as the Group's customers are mainly from the food and beverage sector.

The Group also expects the continual increase in raw material price, overheads cost and operating expenses. The Board is optimistic that the Group will deliver more satisfactory results through continuous improvement in 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	
	31 March 2012	31 March 2011
	RM'000	RM'000
The tax expense comprises the followings:		
Tax expense		
- Current period	1,268	266
- Prior year	(6)	-
	<u>1,262</u>	<u>266</u>
Deferred tax expense		
- Current period	100	-
- Prior year	-	-
	<u>100</u>	<u>-</u>
	<u>1,362</u>	<u>266</u>



6 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.

7 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 March 2012	31 December 2011
	RM'000	RM'000
Non-current		
<i>Secured</i>		
Term loans	4,200	970
Finance lease liabilities	425	199
	4,625	1,169
Current		
<i>Secured</i>		
Term loans	4,031	2,764
Finance lease liabilities	1,225	785
	5,256	3,549
<i>Unsecured</i>		
Bankers' acceptances	8,678	12,652
	8,678	12,652
	13,934	16,201
	18,559	17,370

8 Disclosure of derivatives

There were no financial derivatives for current quarter ended 31 March 2012.

9 Changes in material litigation

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

10 Dividend

The Board declared a tax exempt interim dividend of 1.5 sen per ordinary share of RM0.50 each on 18th May 2012 in respect of the financial year ending 31st December 2012 and the said dividend will be paid on 2nd July 2012 to shareholders whose names appear on the Company's Record of Depositors on 8th June 2012.



11 Earnings per ordinary shares

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the period under review is based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue during the said financial period, adjusted by the number of ordinary shares repurchased during the period under review.

	Individual Quarter Ended	
	31 March 2012	31 March 2011
Net Profit attributable to ordinary shareholders (RM'000)	3,526	3,004
Issued ordinary shares at 1 January	109,147	108,177
Effect of ordinary shares issued	10	59
Treasury shares	-	-
Weighted average number of ordinary shares in issue ('000)	109,157	108,236
Basic earnings per ordinary share (sen)	<u>3.23</u>	<u>2.78</u>

Diluted earnings per ordinary share

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

12 Disclosure of realised and unrealised profits/ losses

	As at 31.03.2012 RM'000	As at 31.12.2011 RM'000
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	42,751	41,155
~ Unrealised losses	(6,632)	(6,926)
Total retained earnings of the Group	<u>36,119</u>	<u>34,229</u>



13 Notes to the Statements of Comprehensive Income

Profit before tax is arrived at after charging/ (crediting):

	Individual Quarter ended	
	31 March 2012	31 March 2011
	RM'000	RM'000
Interest income	(31)	(23)
Other income	(58)	(207)
Interest expense	331	258
Depreciation	2,680	2,446
Amortisation of intangible assets	9	11
Bad debts recovered	(8)	(6)
Allowance for/ (Reversal of) slow moving inventories	288	(43)
Foreign exchange:		
- Realised loss	751	365
- Unrealised gain	(275)	(226)
(Gain)/ Loss on disposal of property, plant and equipment	(38)	0.21