



**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2012**

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 2012.

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

	Three months ended		Nine months ended	
	30.09.2012 RM '000	30.09.2011 RM '000	30.09.2012 RM '000	30.09.2011 RM '000
Revenue	<u>53,804</u>	<u>54,730</u>	<u>161,864</u>	<u>160,867</u>
Operating Profit	5,901	4,802	18,515	11,546
Interest income	44	30	108	89
Finance costs	<u>(305)</u>	<u>(251)</u>	<u>(932)</u>	<u>(762)</u>
Profit before taxation	<u>5,640</u>	<u>4,581</u>	<u>17,691</u>	<u>10,873</u>
Income tax expense	<u>(1,280)</u>	<u>(1,177)</u>	<u>(4,345)</u>	<u>(1,707)</u>
Profit for the period/ Total comprehensive income for the period/ Attributable to owners of the Company	<u><u>4,360</u></u>	<u><u>3,404</u></u>	<u><u>13,346</u></u>	<u><u>9,166</u></u>
Weighted average number of shares in issue ('000)	109,173	108,368	109,063	108,272
Basic earnings per ordinary share (sen)	<u><u>3.99</u></u>	<u><u>3.14</u></u>	<u><u>12.24</u></u>	<u><u>8.47</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 30.09.2012 RM '000	Audited As at 31.12.2011 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	63,781	56,737
Intangible assets	224	79
Total non-current assets	<u>64,005</u>	<u>56,816</u>
Current assets		
Inventories	35,103	32,117
Trade and other receivables	49,585	44,687
Tax recoverable	-	13
Cash and cash equivalents	12,684	9,569
Total current assets	<u>97,372</u>	<u>86,386</u>
TOTAL ASSETS	<u><u>161,377</u></u>	<u><u>143,202</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	54,613	54,573
Reserves	47,420	39,538
Total equity	<u>102,033</u>	<u>94,111</u>
Non-current liabilities		
Loans and borrowings	5,698	1,169
Employee benefits	601	594
Deferred tax liabilities	7,371	7,141
Total non-current liabilities	<u>13,670</u>	<u>8,904</u>
Current liabilities		
Trade and other payables	21,282	22,775
Loans and borrowings	19,128	16,201
Taxation	3,026	1,022
Dividends payable	2,238	189
Total current liabilities	<u>45,674</u>	<u>40,187</u>
Total liabilities	<u>59,344</u>	<u>49,091</u>
TOTAL EQUITY AND LIABILITIES	<u><u>161,377</u></u>	<u><u>143,202</u></u>
Net assets per share (RM)	0.94	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
Total comprehensive income for the period	-	-	-	-	-	13,346	13,346
Transfer due to realisation of revaluation reserve	-	-	-	-	(1,785)	1,785	-
Share options exercised	40	8	-	-	-	-	48
Own shares acquired	-	-	(18)	-	-	-	(18)
Dividends to shareholders	-	-	-	-	-	(5,454)	(5,454)
At 30 September 2012	<u>54,613</u>	<u>645</u>	<u>(121)</u>	<u>2,991</u>	<u>-</u>	<u>43,905</u>	<u>102,033</u>
At 1 January 2011	54,298	595	-	2,991	1,867	28,946	88,697
Total comprehensive income for the period	-	-	-	-	-	9,166	9,166
Share options exercised	165	19	-	-	-	-	184
Own shares acquired	-	-	(103)	-	-	-	(103)
Dividends to shareholders	-	-	-	-	-	(4,568)	(4,568)
At 30 September 2011	<u>54,463</u>	<u>614</u>	<u>(103)</u>	<u>2,991</u>	<u>1,867</u>	<u>33,544</u>	<u>93,376</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

	Nine months ended 30.09.2012 RM '000	Nine months ended 30.09.2011 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,691	10,873
Adjustments for:-		
Amortisation of intangible assets	28	31
Depreciation	8,753	7,463
Dividend income on quoted shares	-	(11)
Interest income	(109)	(89)
Finance costs	932	762
Property, plant and equipment written off	304	54
Unrealised gain on foreign exchange	(1)	(651)
Gain on disposal of property, plant and equipment	(148)	(5)
Expenses related to defined benefit plans	7	33
Operating profit before changes in working capital	<u>27,457</u>	<u>18,460</u>
Change in inventories	(2,986)	(141)
Change in trade and other receivables	(4,897)	(7,115)
Change in trade and other payables	(7,997)	(4,800)
Cash generated from operations	<u>11,577</u>	<u>6,404</u>
Tax paid	(2,099)	(1,155)
Net cash from operating activities	<u>9,478</u>	<u>5,249</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(9,611)	(5,139)
Acquisition of intangible assets	(172)	(8)
Proceeds from disposal of property, plant and equipment	161	6
Interest received	109	89
Investment in quoted shares	-	(1,011)
Dividend income on quoted shares	-	11
Net cash used in investing activities	<u>(9,513)</u>	<u>(6,052)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Nine months ended 30.09.2012 RM '000	Nine months ended 30.09.2011 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	7,965	-
Repayment of term loans	(3,314)	(3,004)
Net short term borrowings	2,753	8,642
Drawdown of finance lease liabilities	900	-
Payments of finance lease liabilities	(848)	(756)
Proceeds from issuance of shares	48	185
Dividends paid to owners of the Company	(3,404)	(4,516)
Interest paid	(932)	(762)
Shares buy back	(18)	(103)
Net Cash used in financing Activities	<u>3,150</u>	<u>(314)</u>
Net increase/ (decrease) in cash and cash equivalents	3,115	(1,117)
Cash and cash equivalents at 1 January	9,569	9,014
Cash and cash equivalents at 30 September	<u><u>12,684</u></u>	<u><u>7,897</u></u>
* Cash and cash equivalents at end of the period consist of:-		
Deposit placed with licensed banks	7,600	2,500
Cash and bank balances	5,084	5,397
	<u><u>12,684</u></u>	<u><u>7,897</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



1 Basis of preparation (continued)

(a) Property, Plant and equipment

The Group has previously recorded its land and buildings at revalued amount, which is the fair value at the date of the revaluation less accumulated depreciation and any accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers.

Upon transition to MFRSs, the Group elected to apply the optional exemption to use that previous revaluation as deemed cost under MFRSs. The revaluation reserve of RM 1,785,000 (1 January 2011: RM 1,867,000; 30 June 2011: RM1,867,000; 31 December 2011: RM1,785,000) was reclassified to retained earnings.

The impact arising from the change is summarised as follows:

	1 January 2011 RM'000	30 June 2011 RM'000	31 December 2011 RM'000
Consolidated statement of financial position			
Reclassification of revaluation reserve to retained earnings	1,867	1,867	1,785
Adjustment to retained earnings	1,867	1,867	1,785

(b) Retained earnings

The changes that affected the retained earnings are as follows:

	1 January 2011 RM'000	30 June 2011 RM'000	31 December 2011 RM'000
Reclassification of property's revaluation reserve to retained earnings	1,867	1,867	1,785
Increase in retained earnings	1,867	1,867	1,785

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 RM54,605,025 to RM54,613,525 during the current period, as a result of issuance and exercise of 17,000 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 RM1,636,248 on 18th May 2012, based on issued and paid up capital as at 8th June 2012 and paid in the current quarter on 2nd July 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		Cumulative quarter ended	
	30 September 2012 RM'000	30 September 2011 RM'000	30 September 2012 RM'000	30 September 2011 RM'000
Revenue				
- Local	27,776	27,309	89,951	84,957
- Overseas	26,028	27,421	71,913	75,910
	<u>53,804</u>	<u>54,730</u>	<u>161,864</u>	<u>160,867</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 September 2012 RM'000	30 September 2011 RM'000
Secured corporate guarantees for banking facilities given to subsidiary	9,421	5,945
Unsecured corporate guarantees for banking facilities given to subsidiary	<u>15,405</u>	<u>21,399</u>



13 Capital commitments

	30 September 2012 RM'000	30 September 2011 RM'000
Plant and equipment Contracted but not provided for	<u>2,724</u>	<u>10,528</u>
Authorised but not contracted for	<u>1,012</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 2012, the Group achieved a turnover of RM161,864,000 compared to RM160,867,000 of the same period last year, slightly increase of 1% driven by domestic sales. However, the Group recorded a higher pre-tax profit of RM17,691,000 against the pre-tax profit of RM10,873,000 in the previous corresponding period, mainly contributed by a better sales mix.

The lower pre-tax profit for the same period last year was due to higher raw material prices.

2 Variation of results against preceding quarter

The Group reported a pre-tax profit of RM5,640,000 for the third quarter ended 30 September 2012 compared to a pre-tax profit of RM7,164,000 in the preceding quarter, mainly due to lower sales in domestic market.

3 Current year prospects

The Group believes the demand for its products will remain strong. In line to meeting the expected additional demand, the Group will continue to expand its production and enhance its operational efficiency.

The Group is pleased to show a nine months profitable result that has exceeded that of the preceding year. The Board is optimistic that the performance of the Group for the remaining quarter will continue to remain profitable.

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 2012 RM'000	30 September 2011 RM'000	30 September 2012 RM'000	30 September 2011 RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	1,230	1,027	4,077	1,507
- Prior year	-	-	38	-
	<u>1,230</u>	<u>1,027</u>	<u>4,115</u>	<u>1,507</u>
Deferred tax expense				
- Current period	50	150	230	200
- Prior year	-	-	-	-
	<u>50</u>	<u>150</u>	<u>230</u>	<u>200</u>
	<u>1,280</u>	<u>1,177</u>	<u>4,345</u>	<u>1,707</u>

6 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.



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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:-

	30 September 2012	31 December 2011
	RM'000	RM'000
Non-current		
Secured		
Term loans	5,502	970
Finance lease liabilities	196	199
	<u>5,698</u>	<u>1,169</u>
Current		
Secured		
Term loans	2,883	2,764
Finance lease liabilities	840	785
	3,723	3,549
Unsecured		
Bankers' acceptances	15,405	12,652
	15,405	12,652
	<u>19,128</u>	<u>16,201</u>
	<u>24,826</u>	<u>17,370</u>

8 Disclosure of derivatives

There were no financial derivatives for current quarter ended 30 September 2012.

9 Changes in material litigation

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

10 Dividend

- (a) First tax exempt interim dividend of 1.5 sen per ordinary share of RM0.50 each amounting to RM1,636,248 in respect of the financial year ending 31 December 2012 has been paid on 2nd July 2012 to shareholders.
- (b) Second tax exempt interim dividend of 2 sen per ordinary share of RM0.50 each amounting to RM2,181,805 in respect of the financial year ending 31 December 2012 has been paid on 2nd October 2012 to shareholders.
- (c) The Board declared a tax exempt interim dividend of 2 sen per ordinary share of RM0.50 each on 26th November 2012 in respect of the financial year ending 31st December 2012 and the said dividend will be paid on 4th January 2013 to shareholders whose names appear on the Company's Record of Depositors on 12th December 2012.



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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		Cumulative Quarter Ended	
	30 September 2012	30 September 2011	30 September 2012	30 September 2011
Net Profit attributable to ordinary shareholders (RM'000)	4,360	3,404	13,346	9,166
Issued ordinary shares at the beginning of the quarter	109,170	108,428	109,147	108,177
Effect of ordinary shares issued	3	22	44	203
Treasury shares	-	(82)	(127)	(108)
Weighted average number of ordinary shares in issue ('000)	109,173	108,368	109,064	108,272
Basic earnings per ordinary share (sen)	3.99	3.14	12.24	8.47

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 30.09.2012 RM'000	As at 31.12.2011 RM'000
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	50,869	41,155
~ Unrealised losses	(6,964)	(6,926)
Total retained earnings of the Group	<u>43,905</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		Cumulative Quarter ended	
	30 September 2012	30 September 2011	30 September 2012	30 September 2011
	RM'000	RM'000	RM'000	RM'000
Interest income	(44)	(30)	(108)	(89)
Other income	(641)	(462)	(698)	(957)
Interest expense	305	251	932	762
Depreciation	2,770	2,532	8,137	7,463
Amortisation of intangible assets	8	10	28	31
Bad debts recovered	(6)	(4)	(18)	(16)
(Reversal of)/ Allowance for slow moving inventories	(112)	(62)	94	(30)
Foreign exchange:				
- Realised (gain)/ loss	(134)	467	474	492
- Unrealised loss/ (gain)	467	(380)	(1)	(651)
Gain disposal of property, plant and equipment	-	(5)	(148)	(5)