



**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2013**

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 2013.

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

	Three months ended		Six months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	RM '000	RM '000	RM '000	RM '000
Revenue	<u>57,787</u>	<u>55,918</u>	<u>112,796</u>	<u>108,060</u>
Operating Profit	5,179	7,426	10,141	12,614
Interest income	65	33	117	64
Finance costs	<u>(247)</u>	<u>(295)</u>	<u>(548)</u>	<u>(627)</u>
Profit before taxation	<u>4,997</u>	<u>7,164</u>	<u>9,710</u>	<u>12,051</u>
Income tax expense	<u>(1,480)</u>	<u>(1,704)</u>	<u>(2,740)</u>	<u>(3,065)</u>
Profit for the period/ Total comprehensive income for the period/ Attributable to owners of the Company	<u><u>3,517</u></u>	<u><u>5,460</u></u>	<u><u>6,970</u></u>	<u><u>8,986</u></u>
Weighted average number of shares in issue ('000)	109,418	109,170	109,383	109,048
Basic earnings per ordinary share (sen)	<u><u>3.21</u></u>	<u><u>5.00</u></u>	<u><u>6.37</u></u>	<u><u>8.24</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 2012 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 30.06.2013 RM '000	Audited As at 31.12.2012 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	67,195	65,415
Intangible assets	283	257
Total non-current assets	<u>67,478</u>	<u>65,672</u>
Current assets		
Inventories	31,655	36,873
Trade and other receivables	52,190	49,222
Tax recoverable	19	19
Cash and cash equivalents	16,328	12,084
Total current assets	<u>100,192</u>	<u>98,198</u>
TOTAL ASSETS	<u>167,670</u>	<u>163,870</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	54,733	54,632
Reserves	53,955	49,148
Total equity	<u>108,688</u>	<u>103,780</u>
Non-current liabilities		
Loans and borrowings	4,102	4,899
Employee benefits	634	610
Deferred tax liabilities	8,084	8,084
Total non-current liabilities	<u>12,820</u>	<u>13,593</u>
Current liabilities		
Trade and other payables	20,927	28,157
Loans and borrowings	23,245	16,747
Taxation	1,915	1,520
Dividends payable	75	73
Total current liabilities	<u>46,162</u>	<u>46,497</u>
Total liabilities	<u>58,982</u>	<u>60,090</u>
TOTAL EQUITY AND LIABILITIES	<u>167,670</u>	<u>163,870</u>
Net assets per share (RM)	0.99	0.95

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 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					
	Non-distributable				Distributable	Total equity RM '000
	Share capital RM '000	Share premium RM '000	Treasury share RM '000	Merger reserves RM '000	Retained earnings RM '000	
At 1 January 2013	54,632	649	(121)	2,991	45,629	103,780
Total comprehensive income for the period	-	-	-	-	6,970	6,970
Share options exercised	101	20	-	-	-	121
Own shares acquired	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	(2,183)	(2,183)
At 30 June 2013	<u>54,733</u>	<u>669</u>	<u>(121)</u>	<u>2,991</u>	<u>50,416</u>	<u>108,688</u>
At 1 January 2012	54,573	637	(103)	2,991	36,013	94,111
Total comprehensive income for the period	-	-	-	-	8,986	8,986
Share options exercised	32	6	-	-	-	38
Own shares acquired	-	-	(18)	-	-	(18)
Dividends to shareholders	-	-	-	-	(3,272)	(3,272)
At 30 June 2012	<u>54,605</u>	<u>643</u>	<u>(121)</u>	<u>2,991</u>	<u>41,727</u>	<u>99,845</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 2012 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED

	Six months ended 30.06.2013 RM '000	Six months ended 30.06.2012 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,710	12,051
Adjustments for:-		
Amortisation of intangible assets	40	19
Depreciation	5,828	5,368
Interest income	(117)	(64)
Finance costs	548	627
Property, plant and equipment written off	169	172
Unrealised loss/ (gain) on foreign exchange	10	(468)
Gain on disposal of property, plant and equipment	(17)	(148)
Expenses related to/ (reversal of) defined benefit plans	25	(6)
Operating profit before changes in working capital	<u>16,196</u>	<u>17,551</u>
Change in inventories	5,218	(1,307)
Change in trade and other receivables	(2,978)	(5,213)
Change in trade and other payables	(7,230)	(7,512)
Cash generated from operations	<u>11,206</u>	<u>3,519</u>
Tax paid	(2,345)	(965)
Interest paid	(127)	(152)
Net cash from operating activities	<u>8,734</u>	<u>2,402</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(6,216)	(6,719)
Acquisition of intangible assets	(67)	(1)
Proceeds from disposal of property, plant and equipment	19	148
Interest received	117	64
Net cash used in investing activities	<u>(6,147)</u>	<u>(6,508)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Six months ended 30.06.2013 RM '000	Six months ended 30.06.2012 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	-	7,965
Repayment of term loans	(1,308)	(2,110)
Net short term borrowings	6,387	1,080
Payments of finance lease liabilities	(941)	(540)
Proceeds from issuance of shares	122	38
Dividends paid to owners of the Company	(2,182)	(1,773)
Interest paid	(421)	(475)
Shares buy back	-	(18)
Net cash from financing Activities	<u>1,657</u>	<u>4,167</u>
Net increase in cash and cash equivalents	4,244	61
Cash and cash equivalents at 1 January	12,084	9,569
Cash and cash equivalents at 30 June	<u><u>16,328</u></u>	<u><u>9,630</u></u>
* Cash and cash equivalents at end of the period consist of:-		
Deposit placed with licensed banks	9,000	4,500
Cash and bank balances	<u>7,328</u>	<u>5,130</u>
	<u><u>16,328</u></u>	<u><u>9,630</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 2012 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.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. 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 2012.

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 2013:-

- MFRS 10, *Consolidated Financial Statements*
- MFRS 11, *Joint Arrangements*
- MFRS 12, *Disclosure of Interests in Other Entities*
- MFRS 13, *Fair Value Measurement*
- MFRS 119, *Employee Benefits* (2011)
- MFRS 127, *Separate Financial Statements* (2011)
- MFRS 128, *Investments in Associates and Joint Ventures* (2011)
- IC Interpretation 20, *Stripping Costs in the Production Phase of a Surface Mine*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards – Government Loans*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 101, *Presentation of Financial Statements (Annual Improvements 2009- 2011 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)*



1 Basis of preparation (Continued)

- Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*
- Amendments to MFRS 11, *Joint Arrangements: Transition Guidance*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Transition Guidance*

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to MFRS 132, *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
- Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*
- Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*
- Amendments to MFRS 132, *Financial Instruments: Presentation- Offsetting Financial Assets and Financial Liabilities*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- MFRS 9, *Financial Instruments (2009)*
- MFRS 9, *Financial Instruments (2010)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures*

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations in the respective financial year when the above standards, amendments and interpretations become effective.

The initial application of these standards, amendments and interpretations are not expected to have any material financial impacts to the current and prior periods financial statements of the Group and the Company upon their first adoption.

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 RM54,673,175 to RM54,733,775 during the current period, as a result of issuance and exercise of 121,200 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 2 sen tax exempt per ordinary share of RM 0.50 each totaling RM2,183,351 on 23rd May 2013, based on issued and paid up capital as at 13th June 2013 and paid on 8th July 2013.
- 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 2013 RM'000	30 June 2012 RM'000	30 June 2013 RM'000	30 June 2012 RM'000
Revenue				
- Local	29,657	31,100	57,908	62,175
- Overseas	28,130	24,818	54,888	45,885
	<u>57,787</u>	<u>55,918</u>	<u>112,796</u>	<u>108,060</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 2013	30 June 2012
	RM'000	RM'000
Secured corporate guarantees for banking facilities given to subsidiary	<u>7,517</u>	<u>10,932</u>
Unsecured corporate guarantees for banking facilities given to subsidiary	<u>19,830</u>	<u>13,733</u>

13 Capital commitments

	30 June 2013	30 June 2012
	RM'000	RM'000
Plant and equipment Contracted but not provided for	<u>3,686</u>	<u>-</u>
Authorised but not contracted for	<u>201</u>	<u>3,039</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 2013, the Group achieved a turnover of RM112,796,000 compared to RM108,060,000 of the same period last year, an increase of 4.39%. However, the Group recorded a lower pre-tax profit of RM9,710,000 against the pre-tax profit of RM12,051,000 in the previous corresponding period, mainly due to higher cost of production.

2 Variation of results against preceding quarter

The Group reported a pre-tax profit of RM4,997,000 for the second quarter ended 30 June 2013 compared to a pre-tax profit of RM4,714,000 in the preceding quarter, mainly due to the reduced administrative expenses.

3 Current year prospects

Despite the challenging operating environment, the Group is optimistic of delivering profitable results for the financial year ending 31 December 2013.

Nevertheless, the Group believes the demand for its products from the food and beverage sector will remain strong. The Group will also continue to expand its production facilities as well as output and to enhance its operational efficiency.

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 2013	30 June 2012	30 June 2013	30 June 2012
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	1,480	1,579	2,740	2,847
- Prior year	-	45	-	38
	<u>1,480</u>	<u>1,624</u>	<u>2,740</u>	<u>2,885</u>
Deferred tax expense				
- Current period	-	80	-	180
- Prior year	-	-	-	-
	<u>-</u>	<u>80</u>	<u>-</u>	<u>180</u>
	<u><u>1,480</u></u>	<u><u>1,704</u></u>	<u><u>2,740</u></u>	<u><u>3,065</u></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:-

	30 June 2013	31 December 2012
	RM'000	RM'000
Non-current		
<i>Secured</i>		
Term loans	3,604	4,820
Finance lease liabilities	498	79
	<u>4,102</u>	<u>4,899</u>
Current		
<i>Secured</i>		
Term loans	2,564	2,656
Finance lease liabilities	851	648
	3,415	3,304
<i>Unsecured</i>		
Bankers' acceptances	19,830	13,443
	<u>19,830</u>	<u>13,443</u>
	<u>23,245</u>	<u>16,747</u>
	<u><u>27,347</u></u>	<u><u>21,646</u></u>

8 Disclosure of derivatives

There were no financial derivatives for current quarter ended 30 June 2013.

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 2 sen per ordinary share of RM0.50 each on 19th August 2013 in respect of the financial year ending 31st December 2013 and the said dividend will be paid on 8th October 2013 to shareholders whose names appear on the Company's Record of Depositors on 18th September 2013.



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 June 2013	30 June 2012	30 June 2013	30 June 2012
Net Profit attributable to ordinary shareholders (RM'000)	3,517	5,460	6,970	8,986
Issued ordinary shares at the beginning of the quarter	109,304	109,156	109,265	109,147
Effect of ordinary shares issued	114	33	118	28
Treasury shares	-	(19)	-	(127)
Weighted average number of ordinary shares in issue ('000)	109,418	109,170	109,383	109,048
Basic earnings per ordinary share (sen)	<u>3.21</u>	<u>5.00</u>	<u>6.37</u>	<u>8.24</u>

12 Disclosure of realised and unrealised profits/ losses

	As at 30.06.2013 RM'000	As at 31.12.2012 RM'000
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	57,316	53,043
~ Unrealised losses	(6,900)	(7,414)
Total retained earnings of the Group	<u>50,416</u>	<u>45,629</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 June 2013	30 June 2012	30 June 2013	30 June 2012
	RM'000	RM'000	RM'000	RM'000
Interest income	(65)	(33)	(117)	(64)
Other income	(41)	(46)	(228)	(57)
Interest expense	247	295	548	627
Depreciation	2,952	2,688	5,828	5,368
Amortisation of intangible assets	24	10	40	19
Bad debts recovered	(5)	(4)	(10)	(12)
Allowance for/ (Reversal of) slow moving inventories	115	(82)	198	206
Foreign exchange:				
- Realised loss/ (gain)	76	(144)	(208)	608
- Unrealised (gain)/ loss	(269)	(192)	10	(468)
Gain on disposal of property, plant and equipment	(15)	(109)	(17)	(148)