



**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED  
31 DECEMBER 2014**

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the fourth quarter ended 31 December 2014.

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

	Three months ended		Twelve months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	<u>50,139</u>	<u>53,387</u>	<u>209,039</u>	<u>224,487</u>
<b>Operating Profit</b>	4,599	4,640	12,206	20,679
Finance income	53	100	264	299
Finance costs	<u>(198)</u>	<u>(252)</u>	<u>(877)</u>	<u>(1,075)</u>
<b>Profit before taxation</b>	4,454	4,488	11,593	19,903
Income tax expense	<u>(756)</u>	<u>(1,260)</u>	<u>(3,341)</u>	<u>(5,686)</u>
<b>Profit for the period/ Total comprehensive income for the period/ Attributable to owners of the Company</b>	<u><u>3,698</u></u>	<u><u>3,228</u></u>	<u><u>8,252</u></u>	<u><u>14,217</u></u>
Weighted average number of shares in issue ('000)	109,341	109,298	109,341	109,298
Basic earnings per ordinary share (sen)	<u><u>3.38</u></u>	<u><u>2.95</u></u>	<u><u>7.55</u></u>	<u><u>13.00</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 2013 and the accompanying explanatory notes attached to the interim financial statements.)



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

	As at 31.12.2014 RM '000	Audited As at 31.12.2013 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	71,146	69,482
<b>Total non-current assets</b>	<u>71,146</u>	<u>69,482</u>
<b>Current assets</b>		
Inventories	35,934	40,577
Trade and other receivables	47,288	44,051
Tax recoverable	2	-
Cash and cash equivalents	12,717	22,060
<b>Total current assets</b>	<u>95,941</u>	<u>106,688</u>
<b>TOTAL ASSETS</b>	<u><u>167,087</u></u>	<u><u>176,170</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	54,733	54,733
Reserves	56,333	54,641
<b>Total equity</b>	<u>111,066</u>	<u>109,374</u>
<b>Non-current liabilities</b>		
Loans and borrowings	438	2,805
Employee benefits	628	642
Deferred tax liabilities	8,512	8,699
<b>Total non-current liabilities</b>	<u>9,578</u>	<u>12,146</u>
<b>Current liabilities</b>		
Trade and other payables	20,257	24,666
Loans and borrowings	24,091	26,607
Taxation	883	1,065
Dividends payable	1,212	2,312
<b>Total current liabilities</b>	<u>46,443</u>	<u>54,650</u>
<b>Total liabilities</b>	<u>56,021</u>	<u>66,796</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>167,087</u></u>	<u><u>176,170</u></u>
Net assets per share (RM)	1.02	1.00

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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	Retained earnings RM '000	
<b>At 1 January 2014</b>	54,733	669	(121)	2,991	51,102	109,374
Total comprehensive income for the period	-	-	-	-	8,252	8,252
Dividends to shareholders	-	-	-	-	(6,560)	(6,560)
<b>At 31 December 2014</b>	<u>54,733</u>	<u>669</u>	<u>(121)</u>	<u>2,991</u>	<u>52,794</u>	<u>111,066</u>
<b>At 1 January 2013</b>	54,632	649	(121)	2,991	45,629	103,780
Total comprehensive income for the period	-	-	-	-	14,217	14,217
Share options exercised	101	20	-	-	-	121
Dividends to shareholders	-	-	-	-	(8,744)	(8,744)
<b>At 31 December 2013</b>	<u>54,733</u>	<u>669</u>	<u>(121)</u>	<u>2,991</u>	<u>51,102</u>	<u>109,374</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 2013 and the accompanying explanatory notes attached to the interim financial statements.)



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED**

	<b>Twelve months ended 31.12.2014 RM '000</b>	<b>Twelve months ended 31.12.2013 RM '000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	11,593	19,903
Adjustments for:-		
Depreciation	11,721	11,766
Finance income	(264)	(299)
Finance costs	877	1,075
Property, plant and equipment written off	60	174
Unrealised loss/ (gain) on foreign exchange	233	(59)
Gain on disposal of property, plant and equipment	(487)	(121)
(Reversal of)/ expenses related to defined benefit plans	(14)	32
Operating profit before changes in working capital	<u>23,719</u>	<u>32,471</u>
Change in inventories	4,643	(3,704)
Change in trade and other receivables	(3,470)	5,230
Change in trade and other payables	(4,409)	(3,491)
Cash generated from operations	<u>20,483</u>	<u>30,506</u>
Tax paid	(3,713)	(5,507)
Other finance costs paid	(215)	(247)
Net cash from operating activities	<u>16,555</u>	<u>24,752</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(13,474)	(14,195)
Proceeds from disposal of property, plant and equipment	516	128
Interest received	264	299
Net cash used in investing activities	<u>(12,694)</u>	<u>(13,768)</u>



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)**

	<b>Twelve months ended 31.12.2014 RM '000</b>	<b>Twelve months ended 31.12.2013 RM '000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loans	(2,242)	(2,656)
Net short term borrowings	(2,021)	10,303
Payments of finance lease liabilities	(619)	(1,443)
Proceeds from issuance of shares	-	121
Dividends paid to owners of the Company	(7,660)	(6,505)
Interest paid	(662)	(828)
Net cash (used in) financing activities	<u>(13,204)</u>	<u>(1,008)</u>
Net (decrease) / increase in cash and cash equivalents	(9,343)	9,976
Cash and cash equivalents at 1 January	22,060	12,084
Cash and cash equivalents at 31 December	<u><u>12,717</u></u>	<u><u>22,060</u></u>
* Cash and cash equivalents at end of the period consist of:-		
Deposit placed with licensed banks	5,740	15,440
Cash and bank balances	<u>6,977</u>	<u>6,620</u>
	<u><u>12,717</u></u>	<u><u>22,060</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 2013 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 2013. 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 2013.

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 July 2014***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*
- Amendments to MFRS 2, *Share-based Payment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*
- Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 119, *Employee Benefits – Defined Benefit Plans: Employee Contributions*
- Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*
- Amendments to MFRS 140, *Investment Property (Annual Improvements 2011-2013 Cycle)*



**1 Basis of preparation (continued)**

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016***

- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017***

- MFRS 15, *Revenue from Contracts with Customers*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018***

- MFRS 9, *Financial Instruments* (2014)

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations in the respective financial years 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 except as mentioned below:

**(i) MFRS 15, *Revenue from Contracts with Customers***

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 15.



**1 Basis of preparation (continued)**

**(ii) MFRS 9, *Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group and the Company are currently assessing the impact that may arise from the adopting MFRS 9.

**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**

There were no issuances, cancellations, repurchases, resales and repayments of debts and equity securities for the current quarter.

**7 Dividend paid**

The board declared an interim dividend of 1 sen tax exempt per ordinary share of RM 0.50 each totaling RM1,093,407 on 13<sup>th</sup> August 2014, based on issued and paid up capital as at 18<sup>th</sup> September 2014 and paid on 8<sup>th</sup> October 2014.

**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	
	31 December 2014 RM'000	31 December 2013 RM'000	31 December 2014 RM'000	31 December 2013 RM'000
Revenue				
- Local	20,147	27,635	90,271	112,206
- Overseas	29,992	25,752	118,768	112,281
	<u>50,139</u>	<u>53,387</u>	<u>209,039</u>	<u>224,487</u>





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**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**

	<b>31 December 2014 RM'000</b>	<b>31 December 2013 RM'000</b>
Secured corporate guarantees for banking facilities given to subsidiary	2,804	5,667
Unsecured corporate guarantees for banking facilities given to subsidiary	21,725	23,745

**13 Capital commitments**

	<b>31 December 2014 RM'000</b>	<b>31 December 2013 RM'000</b>
Plant and equipment Contracted but not provided for	15,650	3,281
Authorised but not contracted for	-	831



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

**1 Review of performance**

For the 12 months period ended 31 December 2014, the Group achieved a turnover of RM209,039,000 compared to RM224,487,000 of the same period last year, a decrease of 6.88%. The Group recorded a lower pre-tax profit of RM11,593,000 against the pre-tax profit of RM19,903,000 in the previous corresponding period, mainly due to lower sales in local market coupled with a decline in profit margin due to competition in the export market and also increased cost of production arising from higher energy and labour cost.

**2 Variation of results against preceding quarter**

The Group reported a pre-tax profit of RM4,454,000 for the fourth quarter ended 31 December 2014 compared to a pre-tax profit of RM3,410,000 in the preceding quarter, mainly due to the improvement in production operation process.

**3 Current year prospects**

The Group expects the external operating environment in year 2015 to be more challenging. The sharp fall of global crude oil prices and the depreciation of the domestic currency have adversely impacted the economy of Malaysia. Nevertheless, the Board is cautiously optimistic that the demand for the Group's products from the food and beverage sector will remain favourable.

The weakening of domestic currency has resulted in the increase in some of the imported raw material prices and other operating expenses. However, the Group will benefit from the softening of the plastic resin price and the sales from oversea market.

The management is continuously monitoring the Group's operational cost and efficiency to improve the overall profitability. Barring unforeseen circumstances, the Board expects to deliver better results for the coming financial year 2015.

**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	
	31 December 2014 RM'000	31 December 2013 RM'000	31 December 2014 RM'000	31 December 2013 RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	1,343	860	3,246	4,899
- Prior year	-	-	282	172
	<u>1,343</u>	<u>860</u>	<u>3,528</u>	<u>5,071</u>
Deferred tax expense				
- Current period	(587)	400	(327)	733
- Prior year	-	-	140	(118)
	<u>(587)</u>	<u>400</u>	<u>(187)</u>	<u>615</u>
	<u><u>756</u></u>	<u><u>1,260</u></u>	<u><u>3,341</u></u>	<u><u>5,686</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:-

	31 December 2014 RM'000	31 December 2013 RM'000
<b>Non-current</b>		
<i>Secured</i>		
Term loans	438	2,577
Finance lease liabilities	-	228
	<u>438</u>	<u>2,805</u>
<b>Current</b>		
<i>Secured</i>		
Term loans	2,139	2,243
Finance lease liabilities	227	619
	<u>2,366</u>	<u>2,862</u>
<i>Unsecured</i>		
Trust receipts	21,725	23,745
	<u>21,725</u>	<u>23,745</u>
	<u>24,091</u>	<u>26,607</u>
	<u><u>24,529</u></u>	<u><u>29,412</u></u>

**8 Disclosure of derivatives**

There were no financial derivatives for current quarter ended 31 December 2014.



**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 2 sen per ordinary share of RM0.50 each amounting to RM2,186,815 in respect of the financial year ending 31 December 2014 has been paid on 8th July 2014 to shareholders.

(b) Second tax exempt interim dividend of 1 sen per ordinary share of RM0.50 each amounting to RM1,093,407 in respect of the financial year ending 31 December 2014 has been paid on 8th October 2014 to shareholders.

(c) Third tax exempt interim dividend of 1 sen per ordinary share of RM0.50 each amounting to RM1,093,407 in respect of the financial year ending 31 December 2014 has been paid on 16<sup>th</sup> January 2014 to shareholders.

(d) The Board declared a tax exempt interim dividend of 1 sen per ordinary share of RM0.50 each on 26<sup>th</sup> February 2015 in respect of the financial year ended 31 December 2014 and the said dividend will be paid on 1<sup>st</sup> April 2015 to shareholders whose names appear on the Company's Record of Depositors on 13<sup>th</sup> March 2015.

**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	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Net Profit attributable to ordinary shareholders (RM'000)	3,698	3,228	8,252	14,217
Issued ordinary shares at the beginning of the quarter	109,468	109,265	109,468	109,265
Effect of ordinary shares issued	-	160	-	160
Treasury shares	(127)	(127)	(127)	(127)
Weighted average number of ordinary shares in issue ('000)	109,341	109,298	109,341	109,298
<b>Basic earnings per ordinary share (sen)</b>	<b>3.38</b>	<b>2.95</b>	<b>7.55</b>	<b>13.00</b>



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**12 Disclosure of realised and unrealised profits/ losses**

	<b>As at 31.12.2014 RM'000</b>	<b>As at 31.12.2013 RM'000</b>
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	60,974	59,164
~ Unrealised losses	(8,180)	(8,062)
Total retained earnings of the Group	52,794	51,102

**13 Notes to the Statements of Comprehensive Income**

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

	<b>Individual Quarter ended</b>		<b>Cumulative Quarter ended</b>	
	<b>31 December 2014 RM'000</b>	<b>31 December 2013 RM'000</b>	<b>31 December 2014 RM'000</b>	<b>31 December 2013 RM'000</b>
Interest income	(53)	(100)	(264)	(299)
Other income	(152)	(23)	(220)	(292)
Interest expense	198	252	877	1,075
Depreciation	2,949	2,983	11,721	11,766
Bad debts recovered	(2)	(9)	(14)	(26)
Allowance for/ (Reversal of) slow moving inventories	1,636	(347)	1611	63
Foreign exchange:				
- Realised (gain)/ loss	(685)	302	(547)	(362)
- Unrealised loss/ (gain)	308	(385)	233	(59)
Gain on disposal of property, plant and equipment	(171)	(103)	(487)	(121)