Advanced Packaging Technology (M) Bhd

(Co. No. 82982-K)
(Incorporated in Malaysia)
And Its Subsidiaries

Reports And Financial Statements For The Year Ended 31 December 2007
(In Ringgit Malaysia)

ADVANCED PACKAGING TECHNOLOGY (M) BHD
(Co. No. 82982-K)
(Incorporated in Malaysia)

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CORPORATE INFORMATION

BOARD OF DIRECTORS	Chee Sam Fatt (Chairman) Tjin Kiat @ Tan Cheng Keat (Managing Director) Yeo Tek Ling (Finance Director) Dato' Haji Ghazali b. Mat Ariff Dato' Law Sah Lim Datuk Ismail bin Haji Ahmad Mah Siew Seng Eu Hock Seng Ng Choo Tim
SECRETARY	Goon Kok Keong (MAICSA 0698849)
AUDITORS	PKF AF 0911 Chartered Accountants
AUDIT COMMITTEE	Dato' Haji Ghazali b. Mat Ariff (Chairman) - Independent Non-Executive Director Datuk Ismail bin Haji Ahmad - Non-Independent Non-Executive Director Mah Siew Seng - Independent Non-Executive Director
REGISTERED OFFICE	23B Jalan 52/1 46200 Petaling Jaya Selangor Darul Ehsan Tel: 03-7960 0648 Fax: 03-7957 0094
REGISTRAR & SHARE TRANSFER OFFICE	Symphony Share Registrars Sdn. Bhd. Level 26, Menara Multi Purpose Capital Square No. 8, Jalan Munshi Abdullah 50100 Kuala Lumpur Tel: 03-2721 2222 Fax: 03-2721 2530
PRINCIPAL BANKER	CIMB Bank Berhad
STOCK EXCHANGE LISTING	Bursa Malaysia Securities Berhad - Second Board

ADVANCED PACKAGING TECHNOLOGY (M) BHD
(Co. No. 82982-K)
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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and the Company for the financial year ended 31 December 2007.

Principal activities

The Company is principally engaged in the manufacturing and distribution of flexible packaging materials. The principal activities of the subsidiaries are disclosed in Note 10 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

Results

	Group RM	Company RM
Net profit for the year	3,167,105	3,317,113

Reserves and provisions

There were no material transfers to and from reserves or provisions during the financial year except as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the Company paid a tax exempt final dividend of 3.5% totaling RM1,435,298 in respect of the financial year ended 31 December 2006, on 20 July 2007.

In respect of the financial year ended 31 December 2007, the Directors recommend a final tax exempt dividend of 4.5% totaling RM1,845,383 subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

Directors

Directors who served since the date of the last report are:-

Chee Sam Fatt
Tjin Kiat @ Tan Cheng Keat
Yeo Tek Ling
Dato' Haji Ghazali b. Mat Ariff
Dato' Law Sah Lim
Datuk Ismail bin Haji Ahmad
Mah Siew Seng
Eu Hock Seng
Ng Choo Tim

Directors' interest in shares

The shareholdings in the Company of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept under Section 134 of the Companies Act, 1965, are as follows:

	Number of ordinary shares of RM1.00 each			
	At 1.1.2007	**Bought**	**Sold**	**At 31.12.2007**
Shareholdings registered in the name of Directors:				
Dato' Law Sah Lim	29	-	-	29
Tjin Kiat @ Tan Cheng Keat	3,091,178	9,000	-	3,100,178
Yeo Tek Ling	24,338	-	-	24,338
Chee Sam Fatt	20,250	-	-	20,250
Eu Hock Seng	22,421	-	-	22,421
Ng Choo Tim	1,296,594	-	-	1,296,594

None of the other Directors holding office at 31 December 2007 had any interest in the ordinary shares of the Company during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director has received nor become entitled to receive any benefit (other than a benefit included in aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during or at the end of the financial year, which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the year.

Other statutory information

Before the financial statements of the Group and the Company were made out, the Directors took reasonable steps to ascertain that:

(i) all known bad debts had been written off and adequate allowance made for doubtful debts, and

(ii) all current assets have been stated at the lower of cost and net realisable value.

At the date of this report, the Directors are not aware of any circumstances:

(i) that would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, in the financial statements of the Group and the Company inadequate to any substantial extent, or

(ii) that would render the value attributed to current assets in the Group and in the Company financial statements misleading, or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate, or

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secured the liabilities of any other person; or

(ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group and the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and the Company to meet their obligations when they fall due.

In the opinion of the Directors, the results of the operations of the Group and the Company for the financial year ended 31 December 2007 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

ADVANCED PACKAGING TECHNOLOGY (M) BHD
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Auditors

The auditors, Messrs PKF, have indicated their willingness to continue in office.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

TJIN KIAT @ TAN CHENG KEAT

NG CHOO TIM

Kuala Lumpur

Dated: 24 APR 2008

ADVANCED PACKAGING TECHNOLOGY (M) BHD
(Co. No. 82982-K)
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STATEMENT BY DIRECTORS PURSUANT TO SECTION 169 (15) OF THE COMPANIES ACT, 1965

In the opinion of the Directors, the accompanying financial statements are drawn up in accordance with the provision of the Companies Act, 1965 and applicable approved accounting standards in Malaysia for Entities Other than Private Entities so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2007 and of the results of their operations and the cash flows for the financial year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the Directors,

TJIN KIAT @ TAN CHENG KEAT

NG CHOO TIM

Kuala Lumpur

Dated: 24 APR 2008

ADVANCED PACKAGING TECHNOLOGY (M) BHD
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STATUTORY DECLARATION PURSUANT TO SECTION 169 (16) OF THE COMPANIES ACT, 1965

We, TJIN KIAT @ TAN CHENG KEAT and YEO TEK LING, being the Directors primarily responsible for the financial management of ADVANCED PACKAGING TECHNOLOGY (M) BHD, do solemnly and sincerely declare that to the best of our knowledge and belief, the accompanying financial statements are correct, and we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed TJIN KIAT @ TAN CHENG KEAT and YEO TEK LING at Kuala Lumpur in Wilayah Persekutuan on 24 APR 2008)

TJIN KIAT @ TAN CHENG KEAT

YEO TEK LING

Before me,

COMMISSIONER FOR OATHS

PESURUHJAYA SUMPAH MALAYSIA
No. W 181
MAISHARAH
BINTI ABU HASAN

Tingkat Bawah Wisma P.K.N.S.
Jalan Raja Laut,
50653 KUALA LUMPUR.

PKF

Accountants &
business advisers

REPORT OF THE AUDITORS TO THE MEMBERS OF ADVANCED PACKAGING TECHNOLOGY (M) BHD
(Co. No. 82982-K)
(Incorporated in Malaysia)

We have audited the accompanying financial statements of ADVANCED PACKAGING TECHNOLOGY (M) BHD. These financial statements are the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act 1965 and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations, which we consider necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

(a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia for Entities Other than Private Entities so as to give a true and fair view of:

    (i) the state of affairs of the Group and the Company as at 31 December 2007 and of the results of their operations and cash flows for the financial year ended on that date; and

    (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and the Company;

and

(b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company have been properly kept in accordance with the provisions of the said Act.

We have considered the financial statements and the auditor's report thereon of the subsidiaries of which we have not acted as auditors, as indicated in Note 10 to the financial statements.

Tel +603-2032 3828 | Fax +603-2032 1868
Email general@pkfmalaysia.com | www.pkf.com
9th Floor MCB Plaza | No. 6, Changkat Raja Chulan | 50200 Kuala Lumpur | Malaysia.

PKF

Accountants &
business advisers

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations as required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries was not subject to any qualification except as disclosed in Note 10 and did not include any comment made under Subsection (3) of Section 174 of the Act.

PKF

PKF
AF 0911
CHARTERED ACCOUNTANTS

Ramli Mohamad

RAMLI BIN MOHAMAD
1776/06/08/J
PARTNER

Kuala Lumpur

Dated: 24 APR 2008

ADVANCED PACKAGING TECHNOLOGY (M) BHD
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INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

		Group		Company	
		2007	**2006**	**2007**	**2006**
	Note	**RM**	**RM**	**RM**	**RM**
Revenue		25,251,813	24,592,614	25,251,813	24,592,614
Other operating income		582,574	539,650	582,396	539,468
Changes in inventories of finished goods and work-in-progress		(76,263)	23,250	(76,263)	23,250
Raw materials used		(15,468,979)	(15,291,778)	(15,468,979)	(15,291,778)
Staff costs (inclusive of Directors' remuneration)	2	(3,036,663)	(2,833,704)	(3,036,663)	(2,832,926)
Impairment of investment in joint venture		-	(651,000)	-	-
Amortisation of prepaid lease payment		(7,390)	(7,390)	(7,390)	(7,390)
Depreciation		(1,206,018)	(1,211,703)	(1,206,018)	(1,211,703)
Other operating expenses		(2,577,556)	(2,587,135)	(2,427,005)	(2,333,673)
Operating profits	3	3,461,518	2,572,804	3,611,891	3,477,862
Interest income		965,778	766,511	964,316	742,680
Finance cost	4	(15,527)	(15,487)	(14,430)	(15,442)
Profit before tax		4,411,769	3,323,828	4,561,777	4,205,100
Tax expense	5	(1,244,664)	(978,706)	(1,244,664)	(978,706)
Net profit for the year		3,167,105	2,345,122	3,317,113	3,226,394
Basic earnings per share (sen)	6	7.72	5.72		
Dividends per share (sen)	7	3.50	3.00	3.50	3.00

The accompanying notes form an integral part of the financial statements.

ADVANCED PACKAGING TECHNOLOGY (M) BHD
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BALANCE SHEETS AS AT 31 DECEMBER 2007

		Group		Company	
		2007	2006	2007	2006
	Note	RM	RM	RM	RM
Non-current assets					
Property, plant and equipment	8	7,835,292	8,762,577	7,835,292	8,762,577
Prepaid lease payments	9	570,815	578,205	570,815	578,205
Investment in subsidiaries	10	-	-	41,201	41,201
Investment in jointly controlled entity	11	5,880,363	5,814,190	-	-
Other investment	12	5,000,000	5,000,000	5,000,000	5,000,000
Amount due from subsidiaries	13	-	-	7,365,749	11,363,014
		19,286,470	20,154,972	20,813,057	25,744,997
Current assets					
Inventories	14	5,542,358	5,733,404	5,542,358	5,733,404
Trade receivables	15	5,271,118	6,033,564	5,271,118	6,033,564
Other receivables, deposits and prepayments		530,993	4,625,594	517,983	441,208
Cash and cash equivalents	16	25,787,070	19,751,916	25,670,503	19,524,635
		37,131,539	36,144,478	37,001,962	31,732,811
Current liabilities					
Trade payables	17	827,579	1,982,231	827,579	1,982,231
Amount due to Directors	18	108,000	81,000	108,000	81,000
Other payables and accruals		946,333	1,179,680	850,674	970,719
Tax payable		275,510	458,501	275,510	458,501
		2,157,422	3,701,412	2,061,763	3,492,451
Net current assets		34,974,117	32,443,066	34,940,199	28,240,360
Non-current liabilities					
Deferred taxation	19	1,003,633	1,133,272	1,003,633	1,133,272
Provision for staff gratuity	20	583,310	567,587	583,310	567,587
		(1,586,943)	(1,700,859)	(1,586,943)	(1,700,859)
		52,673,644	50,897,179	54,166,313	52,284,498
Financed by:					
Share capital	21	41,008,500	41,008,500	41,008,500	41,008,500
Reserves	22	11,665,144	9,888,679	13,157,813	11,275,998
Total equity attributable to shareholders of the Company		52,673,644	50,897,179	54,166,313	52,284,498

ADVANCED PACKAGING TECHNOLOGY (M) BHD
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STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	Share Capital RM	*Non-distributable* Translation reserve RM	*Distributable* Retained Profits RM	Total RM
Group					
At 1 January 2006		41,008,500	131,732	8,838,555	49,978,787
Currency translation differences		-	(196,475)	-	(196,475)
Net profit for the year		-	-	2,345,122	2,345,122
Dividends	7	-	-	(1,230,255)	(1,230,255)
At 31 December 2006		41,008,500	(64,743)	9,953,422	50,897,179
Currency translation differences		-	44,658	-	44,658
Net profit for the year		-	-	3,167,105	3,167,105
Dividends	7	-	-	(1,435,298)	(1,435,298)
At 31 December 2007		41,008,500	(20,085)	11,685,229	52,673,644
Company					
At 1 January 2006		41,008,500	-	9,279,859	50,288,359
Net profit for the year		-	-	3,226,394	3,226,394
Dividends	7	-	-	(1,230,255)	(1,230,255)
At 31 December 2006		41,008,500	-	11,275,998	52,284,498
Net profit for the year		-	-	3,317,113	3,317,113
Dividends	7	-	-	(1,435,298)	(1,435,298)
At 31 December 2007		41,008,500	-	13,157,813	54,166,313

ADVANCED PACKAGING TECHNOLOGY (M) BHD
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CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

	Group		Company	
	2007 RM	2006 RM restated	2007 RM	2006 RM restated
Cash flows generated from/ (used in) operating activities				
Profit before tax	4,411,769	3,323,828	4,561,777	4,205,100
Adjustments for:				
Amortisation of prepaid lease payment	7,390	7,390	7,390	7,390
Depreciation	1,206,018	1,211,703	1,206,018	1,211,703
Allowance for doubtful debts	1,596	15,959	1,596	15,959
Reversal of allowance for doubtful debts	(37,919)	(17,047)	(37,919)	(17,047)
Impairment loss on investment in joint venture	-	651,000	-	-
Loss on foreign exchange - unrealised	6,548	16,722	6,548	16,722
Investment income	(153,165)	(124,647)	(153,165)	(124,647)
Gain on disposal of property, plant and equipment	(19,698)	(17,073)	(19,698)	(17,073)
Interest income	(965,778)	(766,511)	(964,316)	(742,680)
Property, plant and equipment written off	168	1	168	1
Provision for staff gratuity	53,287	51,848	53,287	51,848
Operating profit before working capital changes	4,510,216	4,353,173	4,661,686	4,607,276
Decrease/(Increase) in inventories	191,046	(1,212,258)	191,046	(1,212,258)
Decrease/(Increase) in trade and other receivables	4,863,659	(4,912,866)	713,798	(728,480)
(Decrease)/Increase in trade and other payables	(1,359,351)	1,175,465	(1,246,049)	972,001
Cash generated from/ (used in) operations	8,205,570	(596,486)	4,320,481	3,638,539
Income tax paid	(1,557,295)	(708,334)	(1,557,295)	(708,334)
Staff gratuity paid	(37,564)	(5,557)	(37,564)	(5,557)
Net cash from/(used in) operating activities	6,610,711	(1,310,377)	2,725,622	2,924,648

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CASH FLOW STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2007

	Group		Company	
	2007 RM	**2006 RM restated**	**2007 RM**	**2006 RM restated**
Cash flows generated from/ (used in) investing activities				
Repayment from/(Advances to) subsidiaries	-	-	3,997,265	(119,668)
Acquisition of other investment	-	(5,000,000)	-	(5,000,000)
Acquisition of a subsidiary	-	-	-	(36,280)
Interest received	965,778	766,511	964,316	742,680
Investment income received	153,165	124,647	153,165	124,647
Proceeds from disposal of property, plant and equipment	21,000	17,900	21,000	17,900
Refund of capital investment from joint venture	-	4,282,527	-	-
Purchase of property, plant and equipment	(280,202)	(640,468)	(280,202)	(640,468)
Net cash generated from/(used in) investing activities	859,741	(448,883)	4,855,544	(4,911,189)
Cash flows used in financing activity				
Dividend paid	(1,435,298)	(1,230,255)	(1,435,298)	(1,230,255)
Net cash used in financing activity	(1,435,298)	(1,230,255)	(1,435,298)	(1,230,255)
Net increase/(decrease) in cash and cash equivalents	6,035,154	(2,989,515)	6,145,868	(3,216,796)
Cash and cash equivalents at beginning of year	19,751,916	22,741,431	19,524,635	22,741,431
Cash and cash equivalents at end of year	25,787,070	19,751,916	25,670,503	19,524,635
Cash and cash equivalents comprise:				
Cash and bank balances	2,287,070	1,251,916	2,170,503	1,024,635
Deposits with licensed banks	23,500,000	18,500,000	23,500,000	18,500,000
	25,787,070	19,751,916	25,670,503	19,524,635

Notes to the financial statements at 31 December 2007

1. Summary of significant accounting policies

On 1 January 2007, the Group and the Company adopted the following new and revised FRSs which are relevant to the Group and the Company's operations and mandatory for annual periods beginning on or after 1 October 2006:

FRS 117	Leases
FRS 124	Related Party Disclosure
FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations

The adoption of the above FRS does not have significant financial impact on the Group and the Company.

The following FRS, Amendments to FRS and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

FRS and Amendments to FRS		**Effective for financial periods beginning on or after**
FRS 139	: Financial Instruments: Recognition and Measurement	Deferred
FRS 107	: Cash Flow Statements	1 July 2007
RFS 112	: Income Taxes	1 July 2007
FRS 118	: Revenue	1 July 2007
FRS 134	: Interim Financial Reporting	1 July 2007
FRS 137	: Provisions, Contingent Liabilities and Contingent Assets	1 July 2007
Amendment to FRS 119 : Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures		1 January 2007
Amendment to FRS 121 : The Effects of Changes in Foreign Exchange Rates - Net Investment in Foreign Operation		1 July 2007

The Group plans to apply the above mentioned FRSs (except for FRS 139 of which its effective date has yet to be announced) for annual periods beginning 1 January 2008.

The above FRS and Amendments to FRS are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application as the above FRSs align the MASB's FRSs with the equivalent International Accounting Standards (IASs) both in terms of form and content, and therefore, the adoption of these standards will only impact the form and content of disclosures presented in the financial statements.

1. Summary of significant accounting policies (continued)

(a) Basis of accounting

The financial statements of the Company have been prepared in accordance with applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board (MASB), accounting principles generally accepted in Malaysia and the provisions of the Companies Act, 1965.

The financial statements have been prepared under the historical cost convention except as disclosed in this summary of significant accounting policies. The preparation of financial statements in conformity with Financial Reporting Standards, requires the use of certain critical accounting estimates and assumptions that effect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

(b) Revenue and income recognition

i) ***Sales of goods***

Revenue represents invoiced value of goods supplied less returns and discounts and is recognised in the income statement upon delivery of goods and customer's acceptance.

ii) ***Interest income***

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the assets.

(c) Basis of consolidation

Subsidiaries are those corporations in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are consolidated using the purchase method of accounting.

1. **Summary of significant accounting policies** (continued)

(c) **Basis of consolidation** (continued)

Under the purchase method of accounting, the results of subsidiary companies acquired or disposed off are included from the date of acquisition up to the date of disposal. The cost of an acquisition is measured at their fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus cost directly attributable to the acquisition.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's shares of the identifiable net assets acquired at the date of acquisition is reflected as goodwill. If the cost of acquisition is less that the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Intragroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) **Property, plant and equipment**

(i) ***Recognition and measurement***

Property, plant and equipment are stated at cost less accumulated depreciation and less impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate item (major components) of property, plant and equipment.

1. Summary of significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(ii) *Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

(iii) *Depreciation*

Property, plant and equipment are depreciated on a straight-line basis to write off the cost of the assets over the term of their estimated useful lives at the following principal annual rates:

Building	2% - 10%
Plant, machinery and tools	7½% - 10%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(e) Leased assets

Leasehold land that normally has an indefinite economic life and title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as prepaid lease payments that are amortised over the lease term in accordance with the pattern of benefits provided.

(f) Investment in subsidiary

Investment in subsidiary is stated at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

1. Summary of significant accounting policies (continued)

(g) Jointly controlled entity

Jointly controlled entity is corporations, partnerships or other entity over which there is contractually agreed sharing of control by the Group with one or more parties where the strategic financial and operating decisions relating to the entity require unanimous consent of the parties sharing control.

The Group's interest in jointly controlled entity is accounted for in the consolidated financial statements by the equity method of accounting. Equity accounting involves recognising the Group's share of the post-acquisition results of jointly controlled entity in the income statement and its share of post-acquisition movements within reserves in reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment and includes goodwill on acquisition (net of accumulated impairment loss).

(h) Investment

Investments in other non-current investments are shown at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of an investment, such a decline is recognised as an expense in the period in which the decline is identified.

(i) Receivables

Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established. Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts. Amount due from subsidiary is stated at cost.

(j) Inventories

Raw materials, work in progress, finished goods and consumables are stated at the lower of cost and net realisable value. In arriving at net realisable value, allowance is made for all obsolete inventories.

Cost of raw materials and consumables, which is determined on first in first out basis, includes all cost incurred in bringing them to their present location and condition.

Cost of work in progress and finished goods includes the cost of raw materials, direct labour and an appropriate proportion of the fixed and variable production overheads.

1. Summary of significant accounting policies (continued)

(k) Cash and cash equivalents

Cash and cash equivalents consist of balances and deposits with banks and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Liabilities

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(m) Income tax

Tax expense for the financial year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax expense is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of the previous financial years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax asset and liabilities are not recognised for temporary differences arising from goodwill or negative goodwill or from the initial recognition of assets or liabilities that is not a business combination and that at the time of the transaction affects neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(n) Employee benefits

Short term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

The Company's contribution to the Employee's Provident Fund are charged to the income statements in the financial year to which they paid, the Company has no further payment obligations.

The Company has a staff gratuity scheme for employees who are eligible under their employment contracts. Gratuity for employees is provided for in the financial statements taking into consideration the length of service and basic salary earnings of eligible employees.

1. Summary of significant accounting policies (continued)

(o) Impairment

The carrying amounts of the Group's asset are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the income statement. Any subsequent increase in recoverable amount is recognised in the income statement.

The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1. Summary of significant accounting policies (continued)

(q) Foreign currencies

i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

iii) *Group companies*

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- income and expenses of each income statement are translated at the rate on the dates of the transactions.
- all resulting exchange difference are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

The closing rates used in the translation for foreign currency monetary assets and liabilities are as follows:

	2007 RM	2006 RM
1 US Dollar	3.31	3.57
1 Brunei Dollar	2.27	2.32
1 Singapore Dollar	2.27	2.32
100 Thai Baht	10.12	10.61
100 Hong Kong Dollar	43.53	46.58
100 Renminbi	45.27	45.23

1. Summary of significant accounting policies (continued)

(r) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

(i) ***Financial instruments recognised on the balance sheet***

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statement associated with each item.

(ii) ***Fair value estimation for disclosure purpose***

The face values of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

All financial instruments are denominated in Ringgit Malaysia unless otherwise stated.

(s) Equity instrument

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared and approved by the shareholders.

The transactions costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

2. Staff costs

Staff costs include Directors' remunerations, salaries, wages, bonus and allowances, statutory contributions for employees and other employee related expenses. The total number of employees, inclusive of executive Directors, of the Group and the Company as at the end of the financial year are 92 and 92 (2006: 98 and 98) respectively.

3. Operating profits

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
		restated		**restated**
Operating profit is arrived at after charging:				
Auditors' remuneration	31,968	32,192	27,000	27,000
Allowance for doubtful debts	1,596	15,959	1,596	15,959
Amortisation of prepaid lease payment	7,390	7,390	7,390	7,390
Depreciation	1,206,018	1,211,703	1,206,018	1,211,703
Directors' emoluments				
- fees				
- executive	24,000	18,000	24,000	18,000
- non-executive	84,000	63,000	84,000	63,000
- remunerations				
- Directors of the Company	507,629	483,479	507,629	483,479
Inventories written off	28,534	56,022	28,534	56,022
Loss on foreign exchange				
- realised	17,031	5,596	17,031	5,596
- unrealised	6,548	16,722	6,548	16,722
Property, plant and equipment written off	168	1	168	1
Provision for staff gratuity	53,287	51,848	53,287	51,848
and crediting:				
Gain on disposal of property, plant and equipment	(19,698)	(17,073)	(19,698)	(17,073)
Reversal of allowance for doubtful debts	(37,919)	(17,047)	(37,919)	(17,047)

Estimated cash value of benefits-in-kind for the executive Directors are RM50,750 and RM50,750 (2006: RM32,750 and RM32,750) for the Group and the Company respectively.

4. Finance cost

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Bank charges	15,527	15,487	14,430	15,442

5. Tax expense

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Current tax expense	1,375,375	1,249,143	1,375,375	1,249,143
Over provision in prior years	(1,072)	(165,397)	(1,072)	(165,397)
Deferred tax expense				
- reversal of temporary differences (Note 19)	(129,639)	(105,040)	(129,639)	(105,040)
	1,244,664	978,706	1,244,664	978,706

Reconciliation of effective tax rate

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Profit before tax	4,411,769	3,323,828	4,561,777	4,205,100
Income tax using Malaysian tax rate	1,191,178	930,672	1,231,680	1,177,428
Non deductible expenses	23,277	206,608	23,277	24,328
Tax losses not recognised	40,502	64,476	-	-
Deferred tax previously under/(over) recognised	40,988	(46,428)	40,988	(46,428)
Double deduction	(8,271)	(11,225)	(8,271)	(11,225)
Change in tax rates	(41,938)	-	(41,938)	-
	1,245,736	1,144,103	1,245,736	1,144,103
(Over)/Under provision in prior years	(1,072)	(165,397)	(1,072)	(165,397)
	1,244,664	978,706	1,244,664	978,706

Tax losses not recognised relates to the losses before tax of the subsidiary, which is incorporated in Hong Kong amounting to approximately RM150,008 (2006: RM230,272).

6. Earnings per ordinary share

Basic earnings per share of the Group is based on the net profit attributable to ordinary shareholders of RM3,167,105 (2006: RM2,345,122) respectively and the issued share capital of 41,008,500 (2006: 41,008,500) ordinary shares.

7. Dividends

	2007 RM	2006 RM
Final paid:		
3.5% per share tax exempt (2006 - 3% per share tax exempt)	1,435,298	1,230,255

The Board recommends a final tax exempt dividend at 4.5% (2006: 3.5%) for shareholders' approval at the forthcoming Annual General Meeting of the Company. These financial statements do not reflect this final dividend which will only be accrued as a liability when approved by shareholders.

8. Property, plant and equipment

Group and Company	Building RM	Plant, machinery and tools RM	Furniture, fittings and equipment RM	Motor vehicles RM	Total RM
Cost					
At beginning of year	4,271,129	19,570,978	526,670	1,128,438	25,497,215
Additions	-	105,830	35,810	138,562	280,202
Disposals	-	(31,525)	(6,506)	(107,932)	(145,963)
At end of year	4,271,129	19,645,283	555,974	1,159,068	25,631,454
Accumulated depreciation					
At beginning of year	1,599,808	14,198,383	418,074	518,373	16,734,638
Charge for the year	94,255	864,799	39,146	207,818	1,206,018
Disposals	-	(31,460)	(6,404)	(106,630)	(144,494)
At end of year	1,694,063	15,031,722	450,816	619,561	17,796,162
Net book value					
At 31 December 2007	2,577,066	4,613,561	105,158	539,507	7,835,292
At 31 December 2006	2,671,321	5,372,595	108,596	610,065	8,762,577
Depreciation charge for the year ended 31 December 2006	94,304	889,317	47,656	180,426	1,211,703

Included in property, plant and equipment of the Group and the Company are fully depreciated property, plant and equipment with a cost of approximately RM10,049,177 (2006: RM7,842,360) which are still in use as of 31 December 2007.

9. Prepaid lease payments

	Leasehold land Unexpired period more than 50 years RM
Cost	
At 31 December 2007	739,000
At 31 December 2006	739,000
Amortisation	
At 1 January 2007	160,795
Amortisation for the year	7,390
At 31 December 2007	168,185
Carrying amounts	
At 31 December 2007	570,815
At 31 December 2006	578,205

10. Investment in subsidiaries

	Company	
	2007 RM	**2006 RM**
Unquoted shares at cost	41,201	41,201

The details of the subsidiaries are as follows:

Name of companies	Place of incorporation	Percentage of equity held 2007	2006	Principal activities
Advanced Packaging Investments (HK) Ltd*	Hong Kong	100%	100%	Investment holding company.
Xiamen Jinjie Trading** Co. Ltd	Xiamen	100%	100%	The company has not commenced operation. The intended principal activity is that of trading of packaging materials.

10. Investment in subsidiaries (continued)

On 5 June 2006, the Company has incorporated a wholly-owned subsidiary company, Xiamen Jinjie Trading Co. Ltd ("XJTCL"), in the People's Republic Of China, with a registered capital of United States Dollars Sixty Five Thousand (USD 65,000-00). XJTCL has yet to fully pay up on its registered capital of USD 65,000 or approximately RM236,698 as at the balance sheet date.

* The Auditors' Report on the financial statements of this subsidiary for the financial year ended 31 December 2007 have been modified by way of emphasis of matter on the uncertainties over the ability of the company to continue as a going concern. Audited by a member firm of PKF International, which is a separate and independent legal entity from PKF Malaysia.

** Audited by a firm other than member firm of PKF.

11. Investment in jointly controlled entity

	Group 2007 RM	Group 2006 RM
Share of net assets of jointly controlled entity	5,880,363	5,814,190
Unquoted shares, at cost	6,531,363	6,465,190
Accumulated impairment losses	(651,000)	(651,000)
	5,880,363	5,814,190

The Group's interest in the assets of the jointly controlled entity is as follows:-

	Group 2007 RM	Group 2006 RM
Long term assets	5,884,093	5,878,771
Net current assets	923	1,035
	5,885,016	5,879,806

There is no Group's interest in revenue and expenses as the joint venture company has not commenced operations.

Details of jointly controlled entity are as follows:

Name	Principal activities	Proportion of ownership interest equity held 2007	Proportion of ownership interest equity held 2006
Dalian Advanced Cement Co. Ltd. #	The Company has not commenced operations. The intended principal activities are that of production and sales of clinker and cement	25%	25%

\# Held by Advanced Packaging Investments (HK) Ltd.

11. Investment in jointly controlled entity (continued)

Advanced Packaging Investments (HK) Ltd. ("APIL") has on 06 December 2005 entered into a Shareholders' Agreement with Wafangdian Laohu Cement Company Ltd. ("WLCC") for Dalian Advanced Cement Co. Ltd. ("DACC"), a joint venture company of WLCC and APIL, to apply to the relevant authorities in the People's Republic of China ("PRC") to revise downward the registered capital of DACC from Renminbi Ninety Million (RMB90,000,000-00) to Renminbi Fifty Two Million (RMB52,000,000-00). The shareholding ratio between the shareholders shall remain unchanged as 75% (Renminbi Thirty Nine Million or RMB39,000,000-00) for WLCC and 25% (Renminbi Thirteen Million or RMB13,000,000-00) for APIL.

The Company announced on 4 January 2007 that it has received on the same day the new business license issued to DACC on 25 December 2006 by the Dalian Industrial and Commercial Administrative Bureau, PRC ("DICAB") with a revised registered capital of United States Dollars Six Million Two Hundred and Sixty Three Thousand (USD 6,263,000-00) or Renminbi Fifty Two Million (RMB52,000,000-00). The original registered capital of DACC was United States Dollars Ten Million Eight Hundred and Forty Thousand (USD 10,840,000-00) or Renminbi Ninety Million (RMB 90,000,000-00). DACC had since returned the excess capital contribution to APIL.

12. Other investment

	Group and Company	
	2007	**2006**
	RM	**RM**
Unquoted shares, at cost	5,000,000	5,000,000

Other investment represents Fixed Income Fund Account with Aminvestment Services Berhad.

13. Amount due from subsidiaries

Amount due from subsidiaries is unsecured, interest free advances, which is not repayable within the next twelve (12) months.

14. Inventories

	Group and Company	
	2007	**2006**
At cost	**RM**	**RM**
Raw materials	4,466,204	4,583,486
Work-in-progress	377,204	560,266
Finished goods	389,145	282,345
Consumables	309,805	307,307
	5,542,358	5,733,404

15. Trade receivables

	Group and Company	
	2007	**2006**
	RM	**RM**
Trade receivables	5,769,372	6,568,140
Allowance for doubtful debts		
- Specific	48,254	84,576
- General	450,000	450,000
	(498,254)	(534,576)
	5,271,118	6,033,564

The Group's normal trade credit term ranges from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

Bad debts amounting to RM475 of the Company and the Group were written off against allowance for doubtful debts during the financial year.

16. Cash and cash equivalents

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Deposits placed with licensed banks	23,500,000	18,500,000	23,500,000	18,500,000
Cash and bank balances	2,287,070	1,251,916	2,170,503	1,024,635
	25,787,070	19,751,916	25,670,503	19,524,635

Deposits placed with licensed banks have maturity range from 30 days to 360 days (2006: 30 days to 360 days).

The weighted average interest rate of deposits as at 31 December 2007 is 3.85% (2006: 3.85%).

17. Trade payables

The normal trade credit terms granted to the Group range from 30 to 90 days.

18. Amount due to Directors

This represents Directors' fees payable.

19. Deferred taxation

	Group and Company	
	2007	**2006**
	RM	**RM**
At beginning of year	1,133,272	1,238,312
Transferred (to)/ from income statement (Note 5)		
- current year	(129,639)	(105,040)
	1,003,633	1,133,272

The recognised deferred tax assets and liabilities (before offsetting) are as follows:

	Group and Company	
	2007	**2006**
	RM	**RM**
Property, plant and equipment		
- capital allowances	1,279,880	1,413,514
Unrealised foreign exchange loss	2,747	4,682
Retirement benefits	(157,494)	(158,924)
Allowance for doubtful debts		
- general	(121,500)	(126,000)
At end of year	1,003,633	1,133,272

20. Provision for staff gratuity

	Group and Company	
	2007	**2006**
	RM	**RM**
At beginning of year	567,587	521,296
Current year's provision	53,287	51,848
	620,874	573,144
Amount paid during the year	(37,564)	(5,557)
At end of year	583,310	567,587

21. Share capital

	Group and Company	
	2007	**2006**
	RM	**RM**
Authorised:		
100,000,000 ordinary shares of RM1 each	100,000,000	100,000,000
Issued and fully paid:		
At beginning of year/end of year	41,008,500	41,008,500

22. Reserves

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Distributable:				
Retained profits	11,685,229	9,953,422	13,157,813	11,275,998
Non-distributable:				
Currency translation reserve	(20,085)	(64,743)	-	-
	11,665,144	9,888,679	13,157,813	11,275,998

Based on the estimated tax credits available, and the prevailing tax rates applicable to dividend, all of the retained profits of the Company are available for distribution by way of dividend without incurring additional tax liability.

Subject to the agreement by the tax authorities, the Company has tax exempt income account of approximately RM3,874,840 (2006: RM5,310,000) available for distribution as tax exempt dividend.

23. Significant related party transaction

Name of company	Type of transactions	2007 RM	2006 RM
With subsidiary:			
Advanced Packaging Investments (HK) Ltd	Advances	57,843	341,489

24. Segmental information

Business segments

Business segmental information has not been prepared as the Group's revenue, operating profit, assets and liabilities, depreciation, capital and non-cash expenditure are mainly confined to one (1) industry segment carried out in Malaysia namely the manufacturing and distribution of flexible packaging materials.

Geographical segments

The activities of the Group are mainly carried out in Malaysia. The Group operates in other countries as follows:

(ii) Hong Kong - investment holding
(iii) The People's Republic of China - subsidiary which is dormant (investment in joint venture which has yet to commence operations)

24. Segmental information (continued)

Geographical segments (continued)

Accordingly, the segmental information by geographical location is presented as below:

	Malaysia		Outside Malaysia		Consolidated	
	2007	**2006**	**2007**	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**	**RM**	**RM**
Segment assets by location of assets	50,408,069	46,073,593	6,009,940	10,225,857	56,418,009	56,299,450

25. Capital commitment

On 26 February 2008, the Company had entered into an agreement to acquire a set of Converting Equipment for a total purchase consideration of Japanese Yen One Hundred and Seventy Eight Million (JPY 178,000,000.00).

26. Financial instruments

Financial risk management objectives and policies

The main risks arising from the Group's financial assets and liabilities are credit, interest rate, foreign exchange and liquidity risk. The Group's overall risk management seeks to minimise potential adverse effects of these risks on the financial performance of the Group Hong Kong Dollar and Renminbi. The management reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

At balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

Interest rate risk

At the balance sheet date, the Group and the Company has no borrowings. As such, the exposure of Company to interest rate risk is minimal.

26. **Financial instruments** (continued)

Foreign exchange risk

The Group and the Company incur foreign currency risk on sales and purchases that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to this risk is primarily US dollars. The exposure of foreign currency risk is monitored in on going basis.

The Group also has subsidiaries incorporated in foreign countries, of which at the moment are dormant. The main currency exposures are Hong Kong Dollar and Renminbi.

Liquidity risk

The Group and the Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

Fair values

Recognised financial instruments

In respect of cash and cash equivalents, trade and other receivables, trade and other payables and short term borrowings, the carrying amounts approximate fair value due to the relatively short term nature of these financial instruments.

	2007		2006	
	Carrying Amount RM	Fair value RM	Carrying amount RM	Fair value RM
Group and Company				
Other investment	5,000,000	5,000,000	5,000,000	5,000,000

Fair value of other investment is based on manager's price as at the balance sheet date.

	2007		2006	
	Carrying Amount RM	Fair value RM	Carrying amount RM	Fair value RM
Company				
Amount due from subsidiaries	7,365,749	*	11,363,014	*

* In the opinion of the Directors, it is not practicable to determine the fair values of amounts due from subsidiaries as the repayment terms are not fixed. However, the Directors do not anticipate that the carrying amounts recorded at balance sheet date to be significantly different from the values that would eventually be received or settled, as at the date of this report.

27. General information

The financial statements were approved and authorised for issue by the Board of Directors on 24 April 2008.

The registered office of the Company is located at 23B Jalan 52/1, 46200 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at Lot 2, Jalan P/2A, Kawasan MIEL, Bangi Industrial Estate, 43650 Bandar Baru Bangi, Selangor Darul Ehsan. The Company is domiciled in Malaysia.