

**SKP RESOURCES BHD**  
(Company No: 524297-T)  
Incorporated in Malaysia under the Companies Act, 1965

**Notes (In compliance with FRS 134)**

**A1. Accounting policies and methods of computation**

The interim financial statements have been prepared under the historical cost convention except for derivatives financial instruments, available for sale investments and investment property which have been stated at fair value.

The unaudited interim financial report has been prepared in accordance with FRS 134 Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The interim financial report should be read in conjunction with the Group's annual audited Financial Statements for the year ended 31 March 2011.

**Changes in Accounting Policies**

The significant accounting policies adopted in these interim financial statements are consistent with those of the audited financial statements for the year ended 31 March 2011.

The Group has adopted the following new and revised Financial Reporting Standards ("FRS"), Issues Committee ("IC") Interpretations and amendments to FRSs and IC interpretations which are relevant to the Group's operations with effect from 1 April 2011:-

**FRSs, Interpretations and Amendments effective for financial periods beginning on or after 1 July 2010**

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-Current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

**FRSs, Interpretations and Amendments effective for financial periods beginning on or after 1 January 2011**

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Improvements to FRS issued in 2010	
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 18	Transfer of Assets from Customers
TR 1 - 4	Shariah Compliant Sale Contracts

The adoption of the above FRSs, Interpretations and Amendments to FRSs, did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

The following revised FRSs, new IC Interpretations and Amendments to FRSs applicable to the Group have been issued and are effective for financial periods commencing on or after 1 July 2011 and 1 January 2012, and have yet to be adopted by the Group.

**FRSs, Interpretations and Amendments effective for financial periods beginning on or after 1 July 2011**

IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

**FRSs, Interpretations and Amendments effective for financial periods beginning on or after 1 January 2012**

FRS 124	Related Party Disclosures (Revised)
IC Interpretation 15	Agreements for the Construction of Real Estate

The initial application of the above FRSs, Interpretations and Amendments to FRSs is not expected to have any significant impact on the Group.

**A2. Qualification of financial statements**

There were no audit qualifications on the annual financial statements for the year ended 31 March 2011.

**A3. Seasonal or cyclical factors**

The business operations of the Group were not affected by any seasonal or cyclical factors.

**A4. Unusual items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current quarter.

**A5. Nature and amount of changes in estimates**

There were no changes in estimates of amounts reported in the current quarter under review.

**A6. Issuance, cancellation, repurchase, resale and repayment of debt and equity securities**

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the current quarter under review. As at 31 December 2011, total shares repurchased were 1,312,800 and all the shares repurchased were held as treasury shares in accordance with Section 67A of the Companies Act, 1965. None of the shares held were resold or cancelled during the current quarter.

**A7. Dividend paid**

On 5 September 2011, the Board of Directors had announced a Final Tax Exempt Dividend of 1 sen per share amounting to RM 5,986,872 in respect of the financial year ended 31 March 2011 and the dividend was paid on 15 November 2011.

**A8. Segmental reporting for the current year to date****By business segments**

	Investment holding and provision of management services <u>RM'000</u>	Plastic injection moulding & secondary processes <u>RM'000</u>	Letting of property <u>RM'000</u>	Dormant <u>RM'000</u>	Elimination <u>RM'000</u>	Total <u>RM'000</u>
<b>Revenue</b>						
External sales	-	291,448	92	-	-	291,540
Inter-segment sales	526	26,377	800	-	(27,703)	-
Total	<u>526</u>	<u>317,825</u>	<u>892</u>	<u>-</u>	<u>(27,703)</u>	<u>291,540</u>
<b>Results</b>						
Operating profit	(141)	33,581	409	65		33,914
Interest expense						(7)
Interest income						<u>879</u>
Profit before taxation						34,786
Tax expense						(8,500)
Profit after taxation						<u><u>26,286</u></u>

**A9. Valuation of property, plant and equipment**

There was no revaluation for property, plant and equipment of the Group.

**A10. Material events subsequent to the end of the current quarter**

There were no material events subsequent to the end of the current quarter.

**A11. Effect of changes in the composition of the Group**

There were no material changes in the composition of the Group for the quarter under review and financial year to-date.

**A12. Changes in contingent liabilities or contingent assets**

There were no contingent liabilities for the Group for the current financial period to date.

## Additional information required by the BMSB Listing Requirements

### B1. Review of performance of the Company and its principal subsidiaries

The Group recorded a turnover of RM291.54 million with profit before tax of RM34.79 million for the current financial year to date as compared to RM165.75 million and RM23.59 million in the preceding year corresponding period respectively.

Profit before tax was higher mainly due to the higher revenue recorded from existing customers during the period. The increase in revenue was contributed by the strong surge in demand for the plastic injection moulding segment as well as value added services such as assemblies of plastic products and components for the electrical and electronics industry .

### B2. Comparison with preceding quarter's results

Compared with preceding quarter, the revenue had increased by 12% from RM109.80 million to RM122.43 million. Profit before tax increased from RM12.70 million in last quarter to RM15.08 million mainly due to higher sales during this quarter. The increase in both revenue and profit was mainly due to strong demand for certain manufactured plastic products and components.

### B3. (a) Company's Prospects

The Board of Directors expects the Group to remain profitable. Prospects remain promising and the Board is optimistic and expects orders from existing and new customers to contribute significantly to the Group's performance for the financial year ending 31 March 2012.

### (b) Status of Profit Estimate, Forecast or Internal Targets

The Group has not provided any profit estimate, forecast or internal targets during the quarter under review.

### B4. Variance of actual and forecasted profit

The Group has not provided any quarterly profit forecast and therefore no variance information is available for presentation.

### B5. Taxation

	Individual period		Cummulative period	
	Current year quarter	Preceding year corresponding quarter	Current year to-date	Preceding year corresponding period
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current taxation	3,125	1,869	8,200	5,068
Transfer to/(from) deferred taxation	100	100	300	300
Under/(Over) provision of income tax in prior year	-	-	-	-
Under/(Over) provision of deferred taxation in prior year	-	-	-	-
	<u>3,225</u>	<u>1,969</u>	<u>8,500</u>	<u>5,368</u>

The effective tax rate of the Group for the current quarter and financial year to-date is marginally lower than the statutory income tax rate due to the utilisation of tax incentives of subsidiaries.

### B6. Status of corporate proposal

There were no corporate proposals announced but not completed as at to date.

### B7. Borrowings and debt securities

The company did not issue any debt securities or long term borrowing during the quarter period.

There was no group borrowing as at 31 December 2011.

### B8. Material litigation

There are no material litigations as at the date of this quarterly report.

### B9. Dividend

The Board of Directors has declared an interim tax exempt dividend of 1.5 sen per share in respect of the financial year ending 31 March 2012. The date of entitlement and payment will be determined and announced in due course.

**B10. Disclosure of realised and unrealised profits**

The breakdown of the retained profits of the Group as at 31 December 2011 into realised and unrealised profits, is as follows :

	As at the end of current quarter 31.12.2011 RM'000	As at the end of financial year 31.03.2011 RM'000
Total retained profits / (accumulated losses) of the Group		
- Realised	175,255	154,202
- Unrealised	<u>(7,471)</u>	<u>(7,025)</u>
	167,784	147,177
Less : Consolidated adjustment	<u>(49,435)</u>	<u>(49,128)</u>
Total retained earnings as per condensed consolidated statement of changes in equity	<u>118,348</u>	<u>98,049</u>

**B11. Earnings per share****(a) Basic**

Basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	<b>Current year quarter 31/12/2011</b>	<b>Current year to date 31/12/2011</b>
Net profit for the period (RM'000)	11,856	26,286
Number of ordinary shares in issue ('000)	598,687	598,687
Basic earnings per share (sen)	1.98	4.39

**(b) Diluted**

N/A

N/A

There is no diluted earnings per share as the Group does not have any convertible financial instruments as at the current quarter and current year to date.