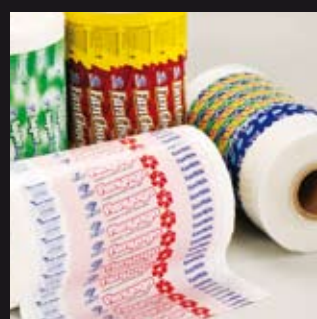


SINLIPLAS SDN. BHD.
SINLIPLAS HOLDING SDN. BHD.

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PROSPECTUS

SINLIPLAS

SLP Resources Berhad

(Company No. 663862-H)
(Incorporated in Malaysia under the Companies Act, 1965)

PUBLIC ISSUE OF 26,000,000 NEW ORDINARY SHARES OF RM0.50 EACH COMPRISING:-

- 6,000,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 8,300,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR PLACEMENT TO SELECTED INVESTORS;
- 5,300,000 NEW ORDINARY SHARES OF RM0.50 EACH AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS, EMPLOYEES AND BUSINESS ASSOCIATES OF SLP RESOURCES BERHAD AND ITS SUBSIDIARIES; AND
- 6,400,000 NEW ORDINARY SHARES OF RM0.50 EACH TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY;

AND

OFFER FOR SALE OF 25,400,000 ORDINARY SHARES OF RM0.50 EACH TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY;

AT AN ISSUE/OFFER PRICE OF RM0.85 PER ORDINARY SHARE PAYABLE IN FULL ON APPLICATION PURSUANT TO ITS LISTING ON THE SECOND BOARD OF BURSA MALAYSIA SECURITIES BERHAD.

Adviser, Managing Underwriter and Sole Placement Agent

AmInvestment Bank Berhad

(Company No. 23742-V)

A member of



AmInvestment Bank
Group

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" AS SET OUT IN SECTION 3 HEREOF.

THIS PROSPECTUS IS DATED 20 FEBRUARY 2008

RESPONSIBILITY STATEMENTS

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS, PROMOTERS AND OFFERORS OF SLP RESOURCES BERHAD (“SLP” OR THE “COMPANY”) AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THERE ARE NO FALSE OR MISLEADING STATEMENT OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT ESTIMATE AND FORECAST HAVE BEEN PREPARED BASED ON ASSUMPTIONS MADE.

AMINVESTMENT BANK BERHAD, BEING THE ADVISER, MANAGING UNDERWRITER, UNDERWRITER AND SOLE PLACEMENT AGENT, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE INITIAL PUBLIC OFFERING (“IPO”) AND IS SATISFIED THAT ANY CONSOLIDATED PROFIT ESTIMATE AND FORECAST (FOR WHICH THE DIRECTORS OF SLP ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THE PROSPECTUS HAVE BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAVE BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

STATEMENTS OF DISCLAIMER

THE SECURITIES COMMISSION (“SC”) HAS APPROVED THE PUBLIC ISSUE AND OFFER FOR SALE IN RESPECT OF THE IPO AND THAT THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE IPO.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF SLP AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

THE VALUATION APPROVED OR ACCEPTED BY THE SC SHALL ONLY BE UTILISED FOR THE PURPOSE OF THE CORPORATE PROPOSALS SUBMITTED TO AND APPROVED BY THE SC, AND SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT ASSETS FOR ANY OTHER PURPOSES.

ADMISSION TO THE OFFICIAL LIST OF BURSA MALAYSIA SECURITIES BERHAD IS NOT TO BE TAKEN AS INDICATION OF THE MERITS OF THE INVITATION, SLP OR OF ITS SECURITIES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORM OF APPLICATION, HAS ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

OTHER STATEMENTS

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THE PROSPECTUS IS DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT 2007.

THE PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA MALAYSIA SECURITIES BERHAD'S WEBSITE AT <http://www.bursamalaysia.com>.

THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE COPY OF THIS PROSPECTUS REGISTERED WITH THE SC ARE THE SAME. YOU MAY OBTAIN A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITE OF CIMB INVESTMENT BANK BERHAD AT www.eipocimb.com AND THE WEBSITE OF CIMB BANK BERHAD AT www.cimbclicks.com.my. YOU MAY ALSO OBTAIN A COPY OF THE ELECTRONIC PROSPECTUS FROM THE WEBSITE OF MALAYAN BANKING BERHAD AT www.maybank2u.com.my AND THE WEBSITE OF RHB BANK BERHAD AT www.rhbbank.com.my VIA HYPERLINK TO THE WEBSITE OF BURSA MALAYSIA SECURITIES BERHAD.

THE INTERNET IS NOT A FULLY SECURED MEDIUM. INTERNET APPLICATIONS MAY BE SUBJECT TO RISKS IN DATA TRANSMISSION, COMPUTER SECURITY THREATS SUCH AS VIRUSES, HACKERS AND CRACKERS, FAULTS WITH COMPUTER SOFTWARE AND OTHER EVENTS BEYOND CONTROL OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION. THESE RISKS CANNOT BE BORNE BY THE INTERNET PARTICIPATING FINANCIAL INSTITUTION.

IF INVESTORS ARE IN DOUBT ABOUT THE VALIDITY OR INTEGRITY OF AN ELECTRONIC PROSPECTUS, INVESTORS SHOULD IMMEDIATELY REQUEST FROM SLP, AMINVESTMENT BANK BERHAD OR MALAYSIAN ISSUING HOUSE SDN BHD, A PAPER/ PRINTED COPY OF THIS PROSPECTUS. IF THERE IS ANY DISCREPANCY BETWEEN THE CONTENTS OF THE ELECTRONIC PROSPECTUS AND THE PAPER/ PRINTED COPY OF THIS PROSPECTUS, THE CONTENTS OF THE PAPER/ PRINTED COPY OF THIS PROSPECTUS, WHICH IS IDENTICAL TO THE COPY OF THE PROSPECTUS REGISTERED WITH THE SC, SHALL PREVAIL. THE ELECTRONIC PROSPECTUS SUBMITTED TO THE SC AND BURSA MALAYSIA SECURITIES BERHAD IS THE SAME AS THE REGISTERED PAPER/ PRINTED COPY.

IN RELATION TO ANY REFERENCE IN THIS PROSPECTUS TO THIRD PARTY INTERNET SITES (REFERRED TO AS "**THIRD PARTY INTERNET SITES**") WHETHER BY WAY OF HYPERLINKS OR BY WAY OF DESCRIPTION OF THE THIRD PARTY INTERNET SITES, INVESTORS ACKNOWLEDGE AND AGREE THAT:-

- (I) SLP DOES NOT ENDORSE AND IS NOT AFFILIATED IN ANY WAY TO THE THIRD PARTY INTERNET SITES. ACCORDINGLY, SLP IS NOT RESPONSIBLE FOR THE AVAILABILITY OF, OR THE CONTENT OR ANY DATA, FILES OR OTHER MATERIAL PROVIDED ON THE THIRD PARTY INTERNET SITES. INVESTORS BEAR ALL RISKS ASSOCIATED WITH THE ACCESS TO OR USE OF THE THIRD PARTY INTERNET SITES;
- (II) SLP IS NOT RESPONSIBLE FOR THE QUALITY OF PRODUCTS OR SERVICES IN THE THIRD PARTY INTERNET SITES, PARTICULARLY IN FULFILLING ANY OF THE TERMS OF ANY OF INVESTORS' AGREEMENTS WITH THE THIRD PARTY INTERNET SITES. SLP IS ALSO NOT RESPONSIBLE FOR ANY LOSS OR DAMAGE OR COST THAT INVESTORS MAY SUFFER OR INCUR IN CONNECTION WITH OR AS A RESULT OF DEALING WITH THE THIRD PARTY INTERNET SITES OR THE USE OF OR RELIANCE ON ANY DATA, FILES OR OTHER MATERIAL PROVIDED BY SUCH PARTIES; AND
- (III) ANY DATA, FILE OR OTHER MATERIAL DOWNLOADED FROM THE THIRD PARTY INTERNET SITES IS DONE AT INVESTORS' DISCRETION AND RISK. SLP IS NOT RESPONSIBLE, LIABLE OR UNDER OBLIGATION FOR ANY DAMAGE TO INVESTORS' COMPUTER SYSTEM OR LOSS OF DATA RESULTING FROM THE DOWNLOADING OF ANY SUCH DATA, INFORMATION, FILES OR OTHER MATERIAL.

WHERE AN ELECTRONIC PROSPECTUS IS HOSTED ON THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, INVESTORS ARE ADVISED THAT:-

- (I) THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS ONLY LIABLE IN RESPECT OF THE INTEGRITY OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS, I.E. TO THE EXTENT THAT THE CONTENT OF THE ELECTRONIC PROSPECTUS ON THE WEB OBSERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION MAY BE VIEWED VIA WEB BROWSER OR OTHER RELEVANT SOFTWARE. THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR THE INTEGRITY OF THE CONTENTS OF THE ELECTRONIC PROSPECTUS, WHICH HAS BEEN OBTAINED FROM THE WEB SERVER OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND SUBSEQUENTLY COMMUNICATED OR DISSEMINATED IN ANY MANNER TO THE INVESTORS OR OTHER PARTIES; AND
- (II) WHILE ALL REASONABLE MEASURES HAVE BEEN TAKEN TO ENSURE THE ACCURACY AND RELIABILITY OF THE INFORMATION PROVIDED IN THE ELECTRONIC PROSPECTUS, THE ACCURACY AND RELIABILITY OF THE ELECTRONIC PROSPECTUS CANNOT BE GUARANTEED BECAUSE THE INTERNET IS NOT A FULLY SECURED MEDIUM.

THE INTERNET PARTICIPATING FINANCIAL INSTITUTION IS NOT LIABLE (WHETHER IN TORT OR CONTRACT OR OTHERWISE) FOR ANY LOSS, DAMAGE OR COSTS, INVESTORS OR ANY OTHER PERSON MAY SUFFER OR INCUR DUE TO, AS A CONSEQUENCE OF OR IN CONNECTION WITH ANY INACCURACIES, CHANGES, ALTERATIONS, DELETIONS OR OMISSIONS IN RESPECT OF THE INFORMATION PROVIDED IN THE ELECTRONIC PROSPECTUS WHICH MAY ARISE IN CONNECTION WITH OR AS A RESULT OF ANY FAULT WITH WEB BROWSERS OR OTHER RELEVANT SOFTWARE, ANY FAULT ON INVESTORS' OR ANY THIRD PARTY'S PERSONAL COMPUTER, OPERATING SYSTEM OF OTHER SOFTWARE, VIRUSES OR OTHER SECURITY THREATS, UNAUTHORISED ACCESS TO INFORMATION OR SYSTEMS IN RELATION TO THE WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTION, AND/OR PROBLEMS OCCURRING DURING DATA TRANSMISSION WHICH MAY RESULT IN INACCURATE OR INCOMPLETE COPIES OF INFORMATION BEING DOWNLOADED OR DISPLAYED ON THE PERSONAL COMPUTER.

THIS PROSPECTUS HAS NOT BEEN AND WILL NOT BE MADE TO COMPLY WITH THE LAWS OF ANY JURISDICTION OTHER THAN MALAYSIA, AND HAS NOT BEEN AND WILL NOT BE LODGED, REGISTERED OR APPROVED PURSUANT TO OR UNDER ANY APPLICABLE SECURITIES OR EQUIVALENT LEGISLATION OR WITH OR BY ANY REGULATORY AUTHORITY OR OTHER RELEVANT BODY OF ANY JURISDICTION OTHER THAN MALAYSIA.

SLP WILL NOT, PRIOR TO ACTING ON ANY ACCEPTANCE IN RESPECT OF THE IPO, MAKE OR BE BOUND TO MAKE ANY ENQUIRY AS TO WHETHER INVESTORS HAVE A REGISTERED ADDRESS IN MALAYSIA AND WILL NOT ACCEPT OR BE DEEMED TO ACCEPT ANY LIABILITY IN RELATION THERETO WHETHER OR NOT ANY ENQUIRY OR INVESTIGATION IS MADE IN CONNECTION THEREWITH. IT SHALL BE THE INVESTORS' SOLE RESPONSIBILITY IF THEY ARE OR MAY BE SUBJECT TO THE LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO CONSULT THEIR LEGAL AND/OR OTHER PROFESSIONAL ADVISERS AS TO WHETHER THE IPO WOULD RESULT IN THE CONTRAVENTION OF ANY LAWS OF SUCH COUNTRIES OR JURISDICTIONS.

FURTHER, IT SHALL ALSO BE INVESTORS' SOLE RESPONSIBILITY TO ENSURE THAT THEIR APPLICATION FOR THE IPO WOULD BE IN COMPLIANCE WITH THE TERMS OF THE IPO AND WOULD NOT BE IN CONTRAVENTION OF ANY LAWS OF COUNTRIES OR JURISDICTIONS OTHER THAN MALAYSIA TO WHICH THE INVESTORS MAY BE SUBJECTED. SLP WILL FURTHER ASSUME THAT INVESTORS HAD ACCEPTED THE IPO IN MALAYSIA AND WILL AT ALL APPLICABLE TIMES BE SUBJECTED ONLY TO THE LAWS OF MALAYSIA IN CONNECTION THEREWITH.

HOWEVER, SLP RESERVES THE RIGHT, IN ITS ABSOLUTE DISCRETION TO TREAT ANY ACCEPTANCE AS INVALID IF SLP BELIEVES THAT SUCH ACCEPTANCE MAY VIOLATE ANY LAW OR APPLICABLE LEGAL OR REGULATORY REQUIREMENTS.

NO ACTION HAS BEEN OR WILL BE TAKEN TO ENSURE THAT THIS PROSPECTUS COMPLIES WITH THE LAWS OF ANY COUNTRIES OR JURISDICTION OTHER THAN THE LAWS OF MALAYSIA. IT SHALL BE INVESTORS' SOLE RESPONSIBILITY TO CONSULT THEIR LEGAL AND/OR OTHER PROFESSIONAL ADVISERS ON THE LAWS TO WHICH THE IPO OR INVESTORS ARE OR MIGHT BE SUBJECTED TO. NEITHER SLP NOR THE ADVISER NOR ANY OTHER ADVISERS IN RELATION TO THE IPO SHALL ACCEPT ANY RESPONSIBILITY OR LIABILITY IN THE EVENT THAT ANY APPLICATION MADE BY INVESTORS SHALL BECOME ILLEGAL, UNENFORCEABLE, AVOIDABLE OR VOID IN ANY COUNTRY OR JURISDICTION.

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for our entire enlarged issued and paid-up share capital on the Second Board of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) is set out below:-

<u>Date</u>	<u>Event</u>
20 February 2008	: Issue of Prospectus/ Opening date of the applications
27 February 2008	: Closing date of the applications
29 February 2008	: Tentative date for balloting of applications
10 March 2008	: Tentative allotment date
12 March 2008	: Tentative listing date

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGE, WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES.

APPLICATIONS WILL BE ACCEPTED FROM 10.00 A.M. ON 20 FEBRUARY 2008 AND WILL REMAIN OPEN UNTIL 5.00 P.M. ON 27 FEBRUARY 2008 OR FOR SUCH OTHER LATER DATE OR DATES AS OUR DIRECTORS, PROMOTERS AND OFFERORS, AND THE MANAGING UNDERWRITER MAY IN THEIR ABSOLUTE DISCRETION MUTUALLY DECIDE. WE WILL NOT ACCEPT LATE APPLICATIONS.

IN THE EVENT THE CLOSING DATE FOR THE APPLICATIONS IS EXTENDED, YOU WILL BE NOTIFIED OF THE CHANGE IN A WIDELY CIRCULATED ENGLISH AND BAHASA MALAYSIA NEWSPAPER IN MALAYSIA. SHOULD THE APPLICATION PERIOD BE EXTENDED, THE DATES FOR THE BALLOTING OF THE APPLICATIONS AND THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL ON THE SECOND BOARD OF BURSA SECURITIES WILL BE EXTENDED ACCORDINGLY.

DEFINITIONS

All references to “our Company” and “SLP” in this Prospectus are to SLP Resources Berhad, references to “our Group” is to our Company and our subsidiaries, and references to “we”, “us”, “our” and “ourselves” are to our Company, and save where the context requires, and our subsidiaries.

In this Prospectus, unless where the context requires otherwise, the following words and abbreviations shall have the following meanings:-

Acquisitions	: Acquisition of SHSB and Acquisition of SSB collectively
Acquisition of SHSB	: The acquisition by SLP of 100% of the issued and paid-up share capital of SHSB comprising 5,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM31,639,689 satisfied wholly by the issuance of 63,279,378 new SLP Shares credited as fully paid-up at an issue price of RM0.50 per Share
Acquisition of SSB	: The acquisition by SLP of 100% of the issued and paid-up share capital of SSB comprising 2,000,000 ordinary shares of RM1.00 each for a purchase consideration of RM8,345,684 satisfied wholly by the issuance of 16,691,368 new SLP Shares credited as fully paid-up at an issue price of RM0.50 per Share
Act	: The Companies Act, 1965 or any statutory modification, amendment or re-enactment thereof for the time being in force
ADA	: Authorised Depository Agent
ADA Code	: ADA (Broker) Code
AFTA	: ASEAN Free Trade Area
AmInvestment Bank	: AmInvestment Bank Berhad (23742-V) (a member of AmInvestment Bank Group)
Application	: The application for the IPO Shares by way of Application Forms, Electronic Share Application or Internet Share Application
Application Form(s)	: The printed Application Form(s) for the application of the IPO Shares
Articles	: Our Articles of Association, including any amendment thereto that may be made from time to time
ASEAN	: Association of South-East Asian Nations
ATM	: Automated teller machine
Board	: The Board of Directors of SLP
Bursa Depository or Depository	: Bursa Malaysia Depository Sdn Bhd (165570-W)
Bursa Securities	: Bursa Malaysia Securities Berhad (635998-W)
CAGR	: Compound Annual Growth Rate
CDS	: Central Depository System

DEFINITIONS (Cont'd)

Central Depositories Act	: The Securities Industry (Central Depositories) Act, 1991 or any statutory modification, amendment or re-enactment thereof for the time being in force
CEPT	: Common Effective Preferential Tariff
Deposited Security	: A security in the Company standing to the credit of a Securities Account of a Depositor subject to the provision of the Central Depositories Act and the Rules
Depositor	: A holder of a Securities Account
Electronic Prospectus	: A copy of this Prospectus that is issued, circulated or disseminated via the internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks
Electronic Share Application	: An application for the IPO Shares through Participating Financial Institutions' ATM
EPS	: Earnings per Share
E&E	: Electronics and Electrical
EU	: European Union
ExxonMobil	: ExxonMobil Chemical Asia Pacific Pte Ltd, a major supplier of the SLP Group
FPP	: Flexible Plastic Packaging
GDP	: Gross Domestic Products
GMP	: Good Manufacturing Practice
GP	: Gross profit
HDPE	: High density polyethylene
Internet Participating Financial Institution(s)	: Participating organisation in the Internet Share Application
Internet Share Application	: Application for the IPO Shares through an Internet Participating Financial Institutions listed in Section 15 of this Prospectus
IPO or Initial Public Offering	: The Public Issue and Offer For Sale collectively
IPO Price	: RM0.85 for each IPO Share
IPO Share(s)	: The Public Issue Share(s) and Offer Share(s) collectively
ISO	: International Organisation for Standardisation
JPY	: Japanese Yen
kg	: kilogram

DEFINITIONS (Cont'd)

KTFSB	:	Khoon Tee & Family Sdn Bhd (706990-W)
LDPE	:	Low-density polyethylene
Listing	:	Admission to the Official List and the listing of and quotation for the entire enlarged issued and paid-up share capital of SLP of RM53,000,000 comprising 106,000,000 Shares on the Second Board of Bursa Securities
Listing Requirements	:	The Listing Requirements of Bursa Securities, as amended from time to time
Listing Scheme	:	The Subdivision, Acquisitions, Rights Issue, Transfer, Public Issue, Offer For Sale and Listing collectively
LLDPE	:	Linear low-density polyethylene
Malaysian Public	:	Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	:	Any day between Monday and Friday (both days inclusive) which is not a public holiday and on which Bursa Securities is open for the trading of securities
Maruzen	:	Maruzen Kako Co., Ltd. (Japan), a joint cooperation partner of the SLP Group
MI	:	Minority interest
MIDA	:	Malaysian Industrial Development Authority
MIH or Issuing House	:	Malaysian Issuing House Sdn Bhd (258345-X)
mLLDPE	:	Metallocene-based linear low-density polyethylene
MITI	:	Ministry of International Trade and Industry
MPMA	:	Malaysian Plastics Manufacturers Association
mt	:	Metric tonne
NTA	:	Net tangible assets
NTL	:	Net tangible liabilities
Offer For Sale or Offer	:	Offer for sale by the Offerors of 25,400,000 Shares in SLP at an offer price of RM0.85 per Share payable in full upon application, subject to the terms and conditions of this Prospectus
Offer Shares	:	The 25,400,000 Shares in SLP which are the subject of the Offer For Sale

DEFINITIONS (Cont'd)

Offerors : Khaw Khoon Tee, Ong Peik Joo, Khaw Seang Chuan, Khaw Choon Hoong, Khaw Seang Ghee, Khaw Choon Choon and Khaw Seang Seng collectively. Their respective Offer Shares are as follows:-

Offerors	No. of Offer Shares	% of Enlarged Share Capital
Khaw Khoon Tee	5,958,498	5.62
Ong Peik Joo	6,323,226	5.96
Khaw Seang Chuan	4,385,575	4.14
Khaw Choon Hoong	2,914,591	2.75
Khaw Seang Ghee	2,472,424	2.33
Khaw Choon Choon	1,672,843	1.58
Khaw Seang Seng	1,672,843	1.58
Total	25,400,000	23.96

Okahata : Okahata Sangyo Co Ltd (Japan), a joint cooperation partner of the SLP Group

Okura : Okura Industrial Co Ltd (Japan), a joint cooperation partner and a major customer of the SLP Group

Participating Financial Institution(s) : Refers to the participating financial institutions for the Electronic Share Application as listed in Section 15 of this Prospectus

PAT : Profit after taxation

PBT : Profit before taxation

PE : Polyethylene

PE Multiple : Price earnings multiple

Pink Form Shares : The 5,300,000 Public Issue Shares of SLP representing 5.0% of the enlarged issued and paid-up share capital of SLP at the IPO Price to the eligible Directors, employees and business associates of the SLP Group

Placement Shares : The 8,300,000 Shares in SLP which are the subject of the Private Placement

PP : Polypropylene

Private Placement : The private placement of 8,300,000 new Shares in SLP representing approximately 7.83% of the enlarged issued and paid-up share capital of SLP at the IPO Price to selected investors (who are deemed public) by the Sole Placement Agent

Promoter(s) : Khaw Khoon Tee and Ong Peik Joo collectively

Public Issue : The public issue of 26,000,000 new Shares in SLP at an issue price of RM0.85 per Share payable in full upon application, subject to the terms and conditions of this Prospectus

Public Issue Shares : The 26,000,000 new Shares in SLP which are the subject of the Public Issue

PVC : Polyvinyl Chloride

DEFINITIONS (Cont'd)

QA	: Quality Assurance
QAS	: Quality Assurance System
QC	: Quality Control
QMS	: Quality Management System
R&D	: Research and development
Record of Depositors	: A record provided by Bursa Depository to the Company under Chapter 24.0 of the Rules
Rights Issue	: The rights issue of 29,250 new Shares in SLP at an issue price of RM0.50 per Share to the existing shareholders of SLP on the basis of approximately thirty seven (37) new Rights Shares for every existing one hundred thousand (100,000) Shares held
Rights Shares	: The 29,250 new Shares in SLP issued pursuant to the Rights Issue
RM and sen	: Ringgit Malaysia and sen respectively
ROC	: Registrar of Companies
Rules	: The Rules of Bursa Depository
SC	: Securities Commission
SC Guidelines	: Policies and Guidelines on Issue/ Offer of Securities issued by the SC as amended or expanded on from time to time
Securities Account	: An account established by Bursa Depository for a Depositor for the recording of deposit of securities and for dealing in such securities by the Depositor
Share(s)	: Ordinary share(s) of RM0.50 each
SHSB	: Sinliplas Holding Sdn Bhd (204220-H)
SLP Group or the Group	: SLP and its subsidiaries
SLP or the Company	: SLP Resources Berhad (663862-H)
SME	: Small and Medium Enterprise
SMI	: Small and Medium Industries
Sole Placement Agent	: AmInvestment Bank
Sq ft	: Square feet
SSB	: Sinliplas Sdn Bhd (186753-M)
Subdivision	: The subdivision by SLP of its issued and paid-up share capital comprising one (1) ordinary share of RM1.00 each into two (2) Shares

DEFINITIONS (Cont'd)

Titan	:	Titan Petchem (M) Sdn Bhd, a major supplier of the SLP Group
Transfer	:	The transfer of 42,400,000 Shares in SLP by Khaw Khoon Tee, Ong Peik Joo, Khaw Seang Chuan, Khaw Choon Hoong, Khaw Seang Ghee, Khaw Choon Choon and Khaw Seang Seng to KTFSB after the Subdivision, Acquisitions and Rights Issue
UK	:	United Kingdom
Underwriting Agreement	:	The Underwriting Agreement dated 14 January 2008 between the Company, the Managing Underwriter and Underwriters for the underwriting of 11,300,000 Public Issue Shares to be issued to the Malaysian Public and eligible Directors, employees and business associates of the SLP Group for an underwriting commission of 2.0% at the IPO Price
US or USA	:	United States of America
USD	:	US Dollars
VFFS	:	Vertical Form Fill Seal

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Address	Occupation/ Nationality
Y.T.M. Tunku Dato' Dr Ismail Ibni Almarhum Tunku Mohammad Jewa	Independent Non- Executive Chairman	28, Changkat Minden Jalan 3, Sungai Gelugor 11700 Penang	Company Director/ Malaysian
Khaw Khoon Tee	Managing Director	No.1057, Jalan Kulim Height 1 Kulim Golf & Country Resort 09000 Kulim Kedah Darul Aman	Company Director/ Malaysian
Ong Peik Joo	Executive Director	No.1057, Jalan Kulim Height 1 Kulim Golf & Country Resort 09000 Kulim Kedah Darul Aman	Company Director/ Malaysian
Khaw Seang Chuan	Executive Director	No.1057, Jalan Kulim Height 1 Kulim Golf & Country Resort 09000 Kulim Kedah Darul Aman	Company Director/ Malaysian
Khaw Choon Hoong	Executive Director	No.1057, Jalan Kulim Height 1 Kulim Golf & Country Resort 09000 Kulim Kedah Darul Aman	Company Director/ Malaysian
Leow Chan Khiang	Non-Independent Non-Executive Director	20, Jalan Bagan 39 Taman Bagan 13400 Butterworth	Company Director/ Malaysian
Mary Geraldine Phipps	Independent Non- Executive Director	356, Jalan Pemancar 11700 Penang	Company Director/ Malaysian

AUDIT COMMITTEE

Name	Designation	Directorship
Mary Geraldine Phipps	Chairman of Audit Committee	Independent Non-Executive Director
Y.T.M. Tunku Dato' Dr Ismail Ibni Almarhum Tunku Mohammad Jewa	Member of Audit Committee	Independent Non-Executive Chairman
Leow Chan Khiang	Member of Audit Committee	Non-Independent Non-Executive Director

CORPORATE DIRECTORY (Cont'd)

- COMPANY SECRETARY** : Ch'ng Lay Hoon (MAICSA 0818580)
66-8-9, Condo Gembira
Lintang Delima 4
Island Glades
11700 Gelugor
Penang
- REGISTERED OFFICE** : Suite 12-A, Level 12, Menara Northam
No. 55, Jalan Sultan Ahmad Shah
10050 Penang
Telephone No : (04) 228 0511
Facsimile No : (04) 228 0518
Email : chlh@pd.jaring.my
- HEAD OFFICE** : P.T. 1, Lot 57A, Lorong Perusahaan 5
Kulim Industrial Estate
09000 Kulim
Kedah Darul Aman
Telephone No : (04) 489 1858
Facsimile No : (04) 489 1857
Email : info@sinliplas.com.my
Website : http://www.sinliplas.com.my
- REGISTRARS AND TRANSFER OFFICE** : Agriteum Share Registration Services Sdn Bhd (578473-T)
2nd Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Penang
Telephone No : (04) 228 2321
Facsimile No : (04) 227 2391
Email : agriteum@streamyx.com
- AUDITORS AND REPORTING ACCOUNTANTS** : KPMG (Firm No. AF 0758)
Chartered Accountants
1st Floor, Wisma Penang Garden
No. 42, Jalan Sultan Ahmad Shah
10050 Penang
Telephone No : (04) 227 2288
- SOLICITORS FOR THE IPO** : Ong and Manecksha
Advocates & Solicitors
Suite 503, 5th Floor, Penang Plaza
Jalan Burma
10050 Penang
Telephone No : (04) 227 5811
- PRINCIPAL BANKERS** : Hong Leong Bank Berhad (97141-X)
Butterworth Business Centre
2828-G-02 & 2828-1-02
Jalan Bagan Luar
12000 Butterworth
Penang
Telephone No : (04) 332 5650
- Malayan Banking Berhad (3813-K)
Prai Business Centre
G133 & 135 Medan Kikik 1
Taman Inderawasih
13600 Prai
Penang
Telephone No : (04) 397 9710

CORPORATE DIRECTORY (Cont'd)

- PRINCIPAL BANKERS (Cont'd)**
- OCBC Bank (Malaysia) Berhad (295400-W)
Menara OCBC
18, Jalan Tun Perak
50050 Kuala Lumpur
Telephone No : (03) 2034 5034
- AmBank (M) Berhad (8515-D)
Regional Business Centre - North
Level 3
37, Jalan Sultan Ahmad Shah
10050 Penang
Telephone No : (04) 226 1818
- INDEPENDENT RESEARCHER** **MARKET** : Dun & Bradstreet (D&B) Malaysia Sdn Bhd (527570-M)
Level 9-3A, Menara Milenium
Jalan Damanela
Pusat Bandar Damansara
50490 Kuala Lumpur
Telephone No : (03) 2080 6000
- INDEPENDENT VALUERS** **REGISTERED** : Henry Butcher Malaysia (Seberang Perai) Sdn Bhd (226881-H)
No. 2708, Chain Ferry Road
Kimsar Garden
13700 Prai
Penang
Telephone No : (04) 397 5888
- ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd (258345-X)
27th Floor, Menara Multi-Purpose
Capital Square
No. 8, Jalan Munshi Abdullah
50100 Kuala Lumpur
Telephone No : (03) 2693 2075
- ADVISER, UNDERWRITER AND SOLE PLACEMENT AGENT** **MANAGING** : AmInvestment Bank Berhad (23742-V)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Telephone No : (03) 2078 2633
- UNDERWRITERS** : AmInvestment Bank Berhad (23742-V)
22nd Floor, Bangunan AmBank Group
55, Jalan Raja Chulan
50200 Kuala Lumpur
Telephone No : (03) 2078 2633
- OSK Investment Bank Berhad (*formerly known as OSK Securities Berhad*) (14152-V)
20th Floor, Plaza OSK
Jalan Ampang
50450 Kuala Lumpur
Telephone No : (03) 2162 4388
- LISTING SOUGHT** : Second Board of Bursa Securities

1. INFORMATION SUMMARY

THIS INFORMATION SUMMARY IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT OUR GROUP AND YOU SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN OUR SHARES. THE INFORMATION SUMMARY SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS.

1.1 HISTORY AND BUSINESS

We were incorporated in Malaysia under the Act as a private limited company on 25 August 2004 under the name of SLP Resources Sdn Berhad. Subsequently, on 24 April 2007, we converted into a public limited company and have since then assumed our present name. Our principal activity is investment holding whilst our subsidiaries are principally involved in the manufacturing, exporting and distribution of plastic packaging products and plastic related goods, as well as trading of polymer products such as plastic resins.

Khaw Khoon Tee and Ong Peik Joo are the Promoters of our Group. Each of our Promoters brings with them more than twenty (20) years of experience in the Plastic Packaging Industry. They have been instrumental in the success, growth and development of our Group.

The history of our Group can be traced back to 1989 with the establishment of SSB to carry out the activities of manufacturing of plastic packaging products for the local market. In 1990, SHSB was incorporated to concentrate on the manufacturing of plastic packaging products and plastic related goods for the export market. SHSB commenced operations in 1991 with its first product's penetration, namely ⁽ⁱ⁾Mizukiri bags, into the Japanese market.

In 1998, SHSB signed a Memorandum of Understanding with Maruzen and Okahata to commence production under joint cooperation for the ⁽ⁱⁱ⁾Baran project. Both Maruzen and Okahata provided full technology transfer to SHSB in the manufacturing of "Baran" or artificial leaves. In addition, Maruzen also provided advanced machineries and intensive trainings to establish this new product line.

In line with our emphasis on quality, in 1998, both SSB and SHSB achieved the ISO 9002 accreditation for the manufacturing of plain and printed polybags and polyfilms, which was later upgraded to ISO 9001:2000 in 2004.

In 2001 and 2002, to cater for the increasing demand from the export market, we expanded our production capacity by investing in additional advanced machineries and other factory equipment. SHSB also signed a Memorandum of Understanding with Okura to provide cooperation activities in a project called "Plastic Bag Manufacturing Co-operation" in which Okura provided technology transfer in the manufacturing of plastic bags with its advanced machineries and intensive trainings.

In 2003, we successfully expanded our export market with the exports of patch handle shopping bags to UK. In 2004, our Group commenced the production of VFFS packaging films for the packaging of edible palm oil catering for the local market. The VFFS packaging film has the ability to reduce the cost of the normal nylon packaging by approximately 30.0%. In the same year, our Group penetrated into the Australian market with our patch handle shopping bags.

Notes:-

(i) *Packaging bags that filter fluid off food disposals in the kitchen.*

(ii) *One of our Group's products, namely "Baran" or artificial leaves. Further details of the product are set out in Section 4.2.2 of this Prospectus.*

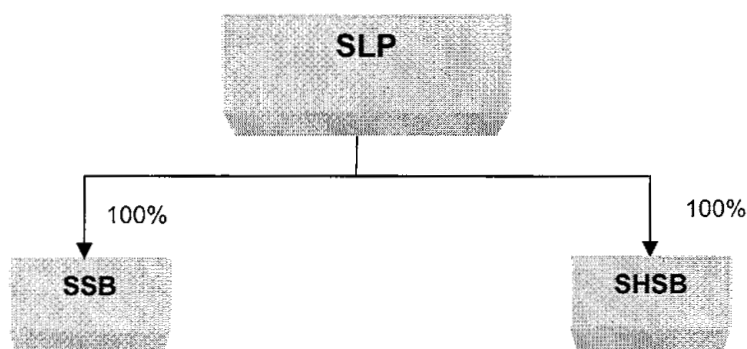
1. INFORMATION SUMMARY (Cont'd)

In 2005, our Group commenced the export of VFFS packaging films for edible palm oil to Mauritius. In the same year, our Group also kick off with the development of new prototype VFFS packaging films for yoghurt and ice-cream, which catered for the West African market.

In 2006, to cater for the increasing demand for the VFFS packaging films, our Group further invested in a unit of 3-layer co-extrusion line for blown film and a few units of bag making machines with a total investment of approximately RM6.20 million. In the same year, our Group has also successfully penetrated into the Indonesian market with our VFFS packaging films for edible palm oil.

In 2007, our Group commenced production of a new product, namely newspaper wrapping film, which is catered for the Japanese market as well as health-care liners and oil-packaging bag (pre-sealed bag). To our best knowledge, based on the known competitors, we are currently the only manufacturer of newspaper wrapping film in Malaysia.

The structure of our Group is as set out below:-



The details of our subsidiaries are as follows:-

Company	Date/ Place of Incorporation	Issued and Paid-up Share Capital (RM)	Effective Equity Interest (%)	Principal Activities
SSB	15.09.1989/ Malaysia	2,000,000	100.00	Manufacturing and distributing of plastic packaging products and plastic related goods, as well as trading of polymer products such as plastic resins
SHSB	14.09.1990/ Malaysia	5,000,000	100.00	Manufacturing and exporting of plastic packaging products and plastic related goods

Our Group does not have any associated company.

Further details on our history and business are set out in Section 4 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)**1.2 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT OF OUR GROUP**

The direct and indirect shareholdings of our Promoters, substantial shareholders, Directors and key management are as follows:-

Name	Designation	No. of Shares Held in SLP After the IPO ^(a)			
		Direct	%	Indirect	%
Promoters					
Khaw Khoon Tee	Managing Director	7,400,000	6.98	^(b) 42,400,000	40.00
Ong Peik Joo	Executive Director	5,770,000	5.44	^(b) 42,400,000	40.00
Substantial Shareholders					
KTFBSB	Shareholder	42,400,000	40.00	-	-
Khaw Khoon Tee	Managing Director	7,400,000	6.98	^(b) 42,400,000	40.00
Ong Peik Joo	Executive Director	5,770,000	5.44	^(b) 42,400,000	40.00
Khaw Seang Chuan	Executive Director	470,000	0.44	^(b) 42,400,000	40.00
Directors					
Y.T.M. Tunku Dato' Dr Ismail Ibni Almarhum Tunku Mohammad Jawa	Independent Non- Executive Chairman	20,000	0.02	-	-
Khaw Khoon Tee	Managing Director	7,400,000	6.98	^(b) 42,400,000	40.00
Ong Peik Joo	Executive Director	5,770,000	5.44	^(b) 42,400,000	40.00
Khaw Seang Chuan	Executive Director	470,000	0.44	^(b) 42,400,000	40.00
Khaw Choon Hoong	Executive Director	470,000	0.44	-	-
Leow Chan Khiang	Non-Independent Non-Executive Director	50,000	0.05	-	-
Mary Geraldine Phipps	Independent Non- Executive Director	20,000	0.02	-	-
Key Management					
Khaw Seang Ghee	Technical Director	500,000	0.47	-	-
Khaw Choon Choon	Logistics Manager	500,000	0.47	-	-
Khaw Seang Seng	Mechanical and Electrical Engineer	500,000	0.47	-	-
Lim Joo Min	Administration Manager	160,000	0.15	-	-
Ong Nyin Pey	Assistant Accountant	4,000	^(c)	-	-
Chuah Tee Lin	QA Manager	60,000	0.06	-	-
Chew Sheau Ching	Production Planning Manager	120,000	0.11	-	-

Notes:-

- (a) Including his/her entitlement for the Pink Form Shares allocation pursuant to the IPO.
(b) Deemed interested by virtue of his/her shareholding of not less than 15% in KTFBSB pursuant to Section 6A of the Act.
(c) Insignificant.

Details of our Promoters, substantial shareholders, Directors and key management are set out in Section 5 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)

1.3 FINANCIAL HIGHLIGHTS

The summarised proforma consolidated results of SLP for the financial years ended 31 December 2004 to 2006 and the nine (9) months period ended 30 September 2007 have been prepared for illustrative purposes only based on the audited financial statements of the companies in our Group and on the assumption that the current structure of our Group has been in existence throughout the financial years/ period under review. The proforma consolidated results of SLP for the nine (9) months period ended 30 September 2006 has not been audited and has also been prepared for illustrative purposes only based on the same abovementioned assumption as a comparison to the consolidated results of SLP for the nine (9) months period ended 30 September 2007.

The proforma consolidated results should be read in conjunction with the accompanying notes and assumptions included in the Proforma Consolidated Financial Information set out in Section 9.13 of this Prospectus.

	Financial Years Ended 31 December			9 Months Periods Ended 30 September	
	2004 RM'000	2005 RM'000	2006 RM'000	2006 RM'000	2007 RM'000
Revenue	94,767	118,203	142,855	99,529	128,700
GP	9,992	13,039	13,181	8,989	13,301
Earnings before interest, depreciation and taxation	11,054	13,346	16,711	11,181	14,562
Depreciation	(3,168)	(3,970)	(5,092)	(3,811)	(4,055)
Interest expense	(1,288)	(1,546)	(1,855)	(1,478)	(1,346)
PBT	6,598	7,830	9,764	5,892	9,161
Taxation	(1,368)	(1,425)	(1,168)	(857)	(880)
PAT	5,230	6,405	8,596	5,035	8,281
Proforma no. of Shares in issue ('000)	106,000	106,000	106,000	106,000	106,000
GP margin (%)	10.54	11.03	9.23	9.03	10.33
PAT margin (%)	5.52	5.42	6.02	5.06	6.43
Gross EPS (sen) ⁽ⁱ⁾	6.22	7.39	9.21	5.56	8.64
Net EPS (sen) ⁽ⁱ⁾	4.93	6.04	8.11	4.75	7.81

Notes:-

- (i) Based on our enlarged issued and paid-up Shares after the Listing.
- (ii) There were no exceptional items and extraordinary items during the financial years/ periods under review.
- (iii) There were no discontinuing operations for all the financial years/ periods under review.

The financial information of our Group is detailed in Section 9 of this Prospectus.

1.4 AUDIT QUALIFICATIONS

The financial statements of our Group for the past three (3) financial years ended 31 December 2004 to 2006 and the nine (9) months period ended 30 September 2007 were reported without any audit qualification.

1. INFORMATION SUMMARY (Cont'd)

1.5 SUMMARY OF OUR PROFORMA CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2007

Our Proforma Consolidated Balance Sheets as at 30 September 2007 as set out below has been prepared for illustrative purposes only to show the effects on our audited consolidated balance sheets, had the Listing Scheme and utilisation of proceeds been effected on that date.

	Audited as at 30 September 2007 RM'000	(I) After Subdivision and Acquisitions RM'000	(II) After (I) and Rights Issue RM'000	(III) After (II), Public Issue and Utilisation of Proceeds RM'000
Non-current assets				
Property, plant and equipment	-	56,619	56,619	62,619
Other investments, at cost	-	177	177	177
Goodwill	-	11	11	11
Total non-current assets	-	56,807	56,807	62,807
Current assets				
Inventories	-	19,605	19,605	19,605
Trade and other receivables	-	27,324	27,324	27,324
Tax recoverable	-	374	374	374
Cash and cash equivalents	⁽ⁱ⁾	15,011	15,026	24,126
Total current assets	⁽ⁱ⁾	62,314	62,329	71,429
Total assets	⁽ⁱ⁾	119,121	119,136	134,236
Equity				
Share capital	⁽ⁱ⁾	13,345	13,360	26,360
Reserves	(11)	34,925	34,925	42,025
Total equity attributable to shareholders of the Company	(11)	48,270	48,285	68,385
Non-current liabilities				
Borrowings	-	10,844	10,844	9,008
Deferred tax liabilities	-	5,527	5,527	5,527
Total non-current liabilities	-	16,371	16,371	14,535
Current liabilities				
Trade and other payables	11	26,567	26,567	26,567
Borrowings	-	27,571	27,571	24,407
Taxation	-	342	342	342
Total current liabilities	11	54,480	54,480	51,316
Total liabilities	11	70,851	70,851	65,851
Total equity and liabilities	-	119,121	119,136	134,236
No. of Shares in issue	⁽ⁱ⁾	79,971	80,000	106,000
(NTL)/NTA per Share (RM)	(5,665)	⁽ⁱⁱ⁾ 0.55	⁽ⁱⁱ⁾ 0.55	⁽ⁱⁱ⁾ 0.61

Notes:-

(i) RM2.00 comprising 2 ordinary shares of RM1.00 each.

(ii) After accounting for the interim dividend of RM4.0 million declared and paid to the shareholders of SHSB in October 2007 prior to the Acquisition of SHSB.

1. INFORMATION SUMMARY (Cont'd)

Detailed Reporting Accountants' Letter and the Proforma Consolidated Financial Information thereon are set out in Sections 9.12 and 9.13 of this Prospectus respectively.

1.6 SUMMARY OF MATERIAL RISK FACTORS

An investment in the shares to be listed on Bursa Securities involves a number of risks, some of which, including market, industry, liquidity, credit, operational, legal and regulatory risks could be substantial and inherent in our Group's business.

You should rely on your own evaluations and to carefully consider the risk factors before buying any of the IPO Shares, which are the subject of this Prospectus. The risk factors that should be considered include, but are not limited to, the following:-

Risks Relating to Our Group and Industry

- (i) Dependence on Suppliers
- (ii) Fluctuation in Prices of Raw Materials
- (iii) Impact of Increasing Trend in the Prices of Plastic Resins on Gross Profit Margin
- (iv) Dependence on the Khaw Family's Members, Directors and Key Management
- (v) Competitive Risks
- (vi) Foreign Currency Risk
- (vii) Business Risks
- (viii) Financial Risks
- (ix) Environment Risk
- (x) Licence and Governmental Control
- (xi) Rapid Technological Changes
- (xii) Time-to-Market
- (xiii) Security and System Disruption
- (xiv) Absence of Long-Term Contracts
- (xv) Borrowing Covenants
- (xvi) Insurance Coverage on Assets

Other Risks

- (xvii) Control by Promoters and Substantial Shareholders
- (xviii) Political, Economic and Regulation Considerations
- (xix) Achievability of Profit Estimate and Forecast
- (xx) Disclosure Regarding Forward-Looking Statements
- (xxi) No Prior Market for Our Shares
- (xxii) Failure/ Delay in the Listing

1. INFORMATION SUMMARY (Cont'd)

Further details of the material risk factors are set out in Section 3 of this Prospectus.

1.7 PROFIT AND DIVIDEND RECORDS**CONSOLIDATED PROFIT ESTIMATE AND FORECAST**

Financial Years Ended/ Ending 31 December	Estimate 2007 RM'000	Forecast 2008 RM'000
Revenue	164,591	181,566
Consolidated PBT	11,223	12,895
Taxation	(1,267)	(974)
Consolidated PAT	9,956	11,921
Less: Pre-acquisition profit ^(a)	(2,271)	-
Add: Negative goodwill recognised	2,271	-
Consolidated PAT and pre-acquisition profit	9,956	11,921
Enlarged issued and paid-up share capital ('000 Shares)	106,000	106,000
- Gross EPS (sen)	10.59	12.17
- Net EPS (sen) ^(b)	9.39	11.25
Gross PE Multiple based on the IPO Price (times)	8.03	6.98
Net PE Multiple based on the IPO Price (times) ^(b)	9.05	7.56

Notes:-

- (a) The pre-acquisition profit relates to profit generated by SSB during the period from 1 January 2007 to the completion date of the Acquisition of SSB.
- (b) Based on the consolidated PAT.

DIVIDEND ESTIMATE AND FORECAST

Financial Years Ended/ Ending 31 December	Estimate 2007	Forecast 2008
Gross dividend per Share (%)	*	10.00
Dividend yield based on the IPO Price (%)	-	5.88
Net dividend cover (times)	-	3.04

Note:-

- * No dividend will be declared for the financial year ended 31 December 2007 as it is assumed that the listing exercise will only be completed by the first quarter of financial year ending 31 December 2008.

Detailed information on the profit and dividend estimate and forecast are set out in Sections 9.8 and 9.10 of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)**1.8 PROFORMA CONSOLIDATED NTA AS AT 30 SEPTEMBER 2007**

	Proforma Consolidated NTA RM'000	NTA Per Share RM
After adjusting for the Subdivision, Acquisitions, Rights Issue, Transfer, IPO and utilisation of proceeds	64,374	0.61

Note:-

- * After accounting for the interim dividend of RM4.0 million declared and paid to the shareholders of SHSB in October 2007 prior to the Acquisition of SHSB and deducting the estimated share issue expenses of approximately RM2.0 million. Please refer to Section 2.7 of this Prospectus for details on the estimated share issue expenses.

The above proforma consolidated NTA is based on our enlarged issued and paid-up share capital of 106,000,000 Shares.

Detailed calculations of the proforma consolidated NTA are set out in Section 9.13 of this Prospectus.

1.9 PRINCIPAL STATISTICS RELATING TO THE IPO**1.9.1 SHARE CAPITAL**

The following statistics relating to the IPO are derived from the full text of the Prospectus and should be read in conjunction with the text.

	No. of Shares	RM
AUTHORISED SHARE CAPITAL	200,000,000	100,000,000
ISSUED AND PAID-UP SHARE CAPITAL	^(a) 2	2
• Subdivision	4	2
• New Shares issued pursuant to the Acquisitions	79,970,746	39,985,373
• New Shares issued pursuant to the Rights Issue	29,250	14,625
	80,000,000	40,000,000
• New Shares to be issued pursuant to the Public Issue	26,000,000	13,000,000
ENLARGED SHARE CAPITAL UPON LISTING	106,000,000	53,000,000
OFFER FOR SALE	25,400,000	12,700,000
IPO PRICE PER SHARE		RM0.85
MARKET CAPITALISATION UPON LISTING ^(b)		90,100,000

Notes:-

(a) Represents ordinary shares of RM1.00 each.

(b) Based on the IPO Price and our enlarged issued and paid-up share capital of 106,000,000 Shares.

The IPO Price is payable in full upon application, subject to the terms and conditions of this Prospectus.

1. INFORMATION SUMMARY (Cont'd)**1.9.2 CLASS OF SHARES**

We have only one class of shares, namely ordinary shares of RM0.50 each, all of which rank pari passu with one another. The IPO Shares will rank pari passu in all respects with our other existing issued and paid-up Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment thereof.

1.10 UTILISATION OF PROCEEDS

The Rights Issue and the Public Issue are expected to raise gross proceeds of approximately RM0.01 million and RM22.10 million respectively amounting to a total of approximately RM22.11 million which shall accrue to our Company.

		Timeframe for Utilisation from the Date of Listing	Amount RM'000
(i)	Repayment of bank borrowings	Within 3 months	5,000
(ii)	Purchase of machinery and equipment	Within 12 months	6,000
(iii)	Working capital	Within 6 months	9,115
(iv)	Estimated share issue expenses	Within 3 months	2,000
Total proceeds			22,115

Further details of the utilisation are set out in Section 2.7 of this Prospectus.

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2. PARTICULARS OF THE IPO

This Prospectus is dated 20 February 2008.

A copy of this Prospectus has been registered with the SC and lodged with the Registrar of Companies who takes no responsibility for its contents.

The approval of the SC for the IPO shall not be taken to indicate that the SC recommends the IPO and that investors should rely on their own evaluation to assess the merits and risks of the IPO.

An application shall be made to Bursa Securities within three (3) market days of the issuance of this Prospectus for its approval-in-principle for our admission to the Official List of Bursa Securities and for the dealing in and listing of the entire enlarged issued and fully paid-up share capital of our Company on the Second Board of Bursa Securities. Listing and quotation for these Shares will commence after, amongst others, receipt of confirmation from Bursa Depository of the receipt of allotment information for the crediting of the Shares and receipt of an undertaking that all notices of allotment will be issued and despatched to all successful applicants prior to the date of listing and quotation of the Shares.

Acceptance of Application for the IPO Shares will be conditional upon permission being granted by Bursa Securities for the quotation of the entire enlarged issued and fully paid-up share capital of our Company on the Second Board of Bursa Securities. Accordingly, monies paid in respect of any Application accepted from the IPO will be returned without interest if the aforesaid permission is not granted within six (6) weeks from the date of issue of this Prospectus (or such longer period as may be specified by the SC) provided that our Company is notified by or on behalf of Bursa Securities within the aforesaid time frame. If such monies are not repaid within the said period, the provision of sub-section 243(2) of the Capital Markets and Services Act 2007 shall apply accordingly.

Pursuant to Section 14(1) of the Central Depositories Act, Bursa Securities has prescribed our Shares as a Prescribed Security. In consequence thereof, the Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the aforesaid Act and the Rules of Bursa Depository.

Persons submitting applications by way of Application Forms or by way of Electronic Share Application or Internet Share Application must have a CDS Account. If you do not have a CDS account, you may open one (1) by contacting any of the ADAs listed in Section 15.11 of this Prospectus. In the case of an application by way of Application Form, an applicant should state his/her CDS Account number in the space provided in the Application Form. In the case of an application by way of Electronic Share Application or Internet Share Application, only an applicant who is an individual and has a CDS Account can make an Electronic Share Application or Internet Share Application. A corporation or institution cannot apply for the IPO Shares by way of Electronic Share Application or Internet Share Application.

Pursuant to the Listing Requirements, our Company must have at least 25% of the total number of Shares for which listing is sought in the hands of a minimum of 1,000 public shareholders holding not less than 100 Shares each at the point of listing. In the event that the above requirement is not met pursuant to the IPO, our Company may not be allowed to proceed with our listing on the Second Board of Bursa Securities. In the event thereof, monies paid in respect of all Applications will be returned if the said permission is not granted.

The SC and Bursa Securities assume no responsibility for the correctness of any statements made or opinions or reports expressed in this Prospectus. Admission to the Official List of the Second Board of Bursa Securities is not to be taken as an indication of the merits of our Company or of our Shares.

2. PARTICULARS OF THE IPO (Cont'd)

No person is authorised to give any information or to make any representation not contained herein in connection with the IPO and if given or made, such information or representation must not be relied upon as having been authorised by our Company. Neither the delivery of this Prospectus nor any IPO made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof. Nonetheless, should our Company become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of issue of this Prospectus up to the date of the Listing, our Company shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238 of the Capital Markets and Services Act 2007.

The distribution of this Prospectus and the making of the IPO in certain other jurisdictions outside Malaysia may be restricted by law. The distribution of this Prospectus and the sale of any part of the IPO Shares are subject to Malaysian laws and our Company takes no responsibility for the distribution of this Prospectus and the offer of any part of the IPO Shares outside Malaysia which may be restricted by law in certain other jurisdictions. Persons who may come into possession of this Prospectus are required to inform themselves of and to observe such restrictions. This Prospectus does not constitute and may not be used for the purpose of an invitation to subscribe for the IPO Shares in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

If you are in doubt concerning this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant, or other professional advisers.

2.1 SHARE CAPITAL

	No. of Shares	RM
AUTHORISED SHARE CAPITAL	200,000,000	100,000,000
ISSUED AND PAID-UP SHARE CAPITAL	^(a) 2	2
• Subdivision	4	2
• New Shares issued pursuant to the Acquisitions	79,970,746	39,985,373
• New Shares issued pursuant to the Rights Issue	29,250	14,625
	80,000,000	40,000,000
• New Shares to be issued pursuant to the Public Issue	26,000,000	13,000,000
ENLARGED SHARE CAPITAL UPON LISTING	106,000,000	53,000,000
OFFER FOR SALE	25,400,000	12,700,000
IPO PRICE PER SHARE		RM0.85
MARKET CAPITALISATION UPON LISTING ^(b)		90,100,000

Notes:-

(a) Represents ordinary shares of RM1.00 each.

(b) Based on the IPO Price and our enlarged issued and paid-up share capital of 106,000,000 Shares in SLP.

2. PARTICULARS OF THE IPO (Cont'd)

The IPO Price is payable in full upon application, subject to the terms and conditions of this Prospectus.

We have only one class of shares, namely ordinary shares of RM0.50 each, all of which rank pari passu with one another. The IPO Shares will rank pari passu in all respects with our other existing issued and paid-up Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of allotment thereof.

Subject to any special rights attaching to any Share which we may issue in the future, the holders of Shares in our Company shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions and the whole of any surplus in the event of our liquidation, in accordance with our Articles.

At any general meeting, each shareholder shall be entitled to vote in person or by proxy or by attorney, and on a show of hands, every person present who is a shareholder or representative or proxy or attorney of a shareholder shall have one vote and on a poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one vote for each Share held.

2.2 OPENING AND CLOSING OF APPLICATION LISTS

Applications will be accepted from 10.00 a.m. on 20 February 2008 and will remain open until 5.00 p.m. on 27 February 2008 or for such other later date or dates as our Directors, Promoters and Offerors, and the Managing Underwriter may in their absolute discretion mutually decide. We will not accept late applications.

2.3 CRITICAL DATES OF THE IPO

Events	Tentative Date
Opening Date of the Applications	20 February 2008
Closing Date of the Applications*	27 February 2008
Tentative Balloting Date	29 February 2008
Tentative Allotment Date	10 March 2008
Tentative Listing Date	12 March 2008

Note:-

* *The closing date of the Applications may be extended for further period or periods as our Directors, Promoters and Offerors, and the Managing Underwriter in their absolute discretion may decide.*

The timetable is tentative and is subject to change, which may be necessary to facilitate implementation procedures. In the event the closing date for the Applications is extended, you will be notified of the change in a widely circulated English and Bahasa Malaysia newspaper in Malaysia. Should the Application period be extended, the dates for the balloting of the Applications and the listing of and quotation for our entire enlarged issued and paid-up share capital on the Second Board of Bursa Securities will be extended accordingly.

2. PARTICULARS OF THE IPO (Cont'd)

2.4 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price of RM0.85 per Share was determined and agreed upon by us, the Offerors and AmInvestment Bank as the Adviser, Managing Underwriter, Underwriter and Sole Placement Agent based on various factors including the following:-

- (i) Our Group's operating history and conditions, and financial position as outlined in Sections 4.1 and 9.1 of this Prospectus. For the nine (9) months period ended 30 September 2007, our Group recorded a proforma consolidated PAT of approximately RM8.28 million, representing an annualised net EPS of approximately 10.42 sen based on our enlarged issued and paid-up share capital of 106,000,000 Shares. Accordingly, the IPO Price of RM0.85 per Share represents a historical net PE Multiple of approximately 8.16 times;
- (ii) The prospects of the industry in which our Group operates as outlined in Section 4.4 of this Prospectus;
- (iii) Our forecast net PE Multiple for the financial year ending 31 December 2008 of approximately 7.56 times based on our forecast net EPS of approximately 11.25 sen and our enlarged issued and paid-up share capital of 106,000,000 Shares;
- (iv) Our proforma consolidated NTA as at 30 September 2007 of approximately RM0.61 per Share based on our enlarged issued and paid-up share capital of 106,000,000 Shares;
- (v) Our competitive advantages as set out in Section 4.2.8 of this Prospectus;
- (vi) Our future plans, strategies and prospects as set out in Section 4.7 of this Prospectus; and
- (vii) Comparison with other companies involved in the FPP Industry as set out in Section 4.4.6 of this Prospectus.

However, you should also note that the market prices of our Shares upon and subsequent to the listing on Bursa Securities are subject to the vagaries of the market forces and other uncertainties which may affect the prices of our Shares being traded. You are reminded to consider carefully the risk factors as set out in Section 3 of this Prospectus.

2.5 DETAILS OF THE IPO

(i) Public Issue

The Public Issue of 26,000,000 new Shares at an issue price of RM0.85 per Share are payable in full on application upon such terms and conditions as set out in this Prospectus and will be allocated and allotted in the following manner:-

(a) Malaysian Public

6,000,000 Public Issue Shares representing approximately 5.66% of our enlarged issued and paid-up share capital will be made available for application by Malaysian citizens, companies, societies, co-operatives and institutions, of which at least 30% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions.

2. PARTICULARS OF THE IPO (Cont'd)**(b) Private Placement**

8,300,000 Public Issue Shares representing approximately 7.83% of our enlarged issued and paid-up share capital are reserved by way of Private Placement to selected investors (who are deemed public).

(c) Eligible Directors, Employees and Business Associates of our Group

5,300,000 Public Issue Shares representing 5.0% of our enlarged issued and paid-up share capital will be reserved for the eligible Directors, employees and business associates (which include the suppliers, sales agents, customers and others) of our Group.

Further details of Pink Form Shares allocation are set out in Section 2.5 (iii) of this Prospectus.

(d) Bumiputera Investors

6,400,000 Public Issue Shares representing approximately 6.04% of our enlarged issued and paid-up share capital will be reserved for Bumiputera investors approved by MITI.

(ii) Offer For Sale

The Offer For Sale of 25,400,000 Shares representing approximately 23.96% of our enlarged issued and paid-up share capital at an offer price of RM0.85 per Share are payable in full on application upon such terms and conditions as set out in this Prospectus and will be reserved for Bumiputera investors approved by MITI.

(iii) Pink Form Shares Allocation

The Pink Form Shares have been allocated to seven (7) eligible Directors and one hundred and sixty one (161) employees of our Group based on the following criteria as approved by our Board of Directors:-

- (a) At least eighteen (18) years old;
- (b) Job position; and
- (c) Length of service.

Details of the Pink Form Shares allocation to the eligible Directors, employees and business associates of our Group are as follows:-

Directors

Name of Directors	Designation	Pink Form Shares Allocation
Y.T.M. Tunku Dato' Dr Ismail Ibni Almarhum Tunku Mohammad Jawa	Independent Non-Executive Chairman	20,000
Khaw Khoon Tee	Managing Director	500,000
Ong Peik Joo	Executive Director	470,000
Khaw Seang Chuan	Executive Director	470,000
Khaw Choon Hoong	Executive Director	470,000
Leow Chan Kiang	Non-Independent Non- Executive Director	50,000
Mary Geraldine Phipps	Independent Non-Executive Director	20,000
Total		2,000,000

2. PARTICULARS OF THE IPO (Cont'd)**Employees and Business Associates**

Category	Number	Average no. of Shares to be Allocated to Each Person	Pink Form Shares Allocation
Management and professionals	6	304,583	1,827,500
Executive and officers	7	28,571	200,000
Supervisory	20	21,495	429,900
Clerical and administrative	10	8,220	82,200
Production and general workers	118	1,741	205,400
Total eligible employees	161	-	2,745,000
Business associates	23	24,130	555,000
Total eligible employees and business associates	184	-	3,300,000

However, the above Pink Forms Shares allocation is subject to our eligible Directors, employees and business associates subscribing to their respective allocations.

The summary of the allocations of the IPO Shares is set out in Section 4.1.3 (viii) of this Prospectus.

2.6 PURPOSES OF THE IPO

The purposes of the IPO are as follows:-

- (i) To provide the opportunity for the eligible Directors, employees and business associates of our Group and the Malaysian investing public and institutions to participate in the equity and continuing growth of our Group;
- (ii) To comply with the National Development Policy requirements in respect of Bumiputera equity participation in our Group;
- (iii) To enable us to gain recognition and certain stature through our listing status and further enhance our corporate reputation and assist our Group in expanding our customer base;
- (iv) To provide additional funds to meet the present and future working capital requirement of our Group;
- (v) To enable our Group to gain access to the capital market to raise funds for future expansion, diversification, modernisation and continued growth; and
- (vi) To obtain the listing of and quotation for our entire enlarged issued and paid-up share capital on the Second Board of Bursa Securities.

2. PARTICULARS OF THE IPO (Cont'd)**2.7 UTILISATION OF PROCEEDS****2.7.1 Gross Proceeds**

The Rights Issue and the Public Issue are expected to raise gross proceeds of approximately RM0.01 million and RM22.10 million respectively amounting to a total of approximately RM22.11 million which shall accrue to our Company.

We intend to utilise the proceeds raised in the following manner:-

	Timeframe for Utilisation from the Date of Listing	Amount RM'000
(i) Repayment of bank borrowings	Within 3 months	5,000
(ii) Purchase of machinery and equipment	Within 12 months	6,000
(iii) Working capital	Within 6 months	9,115
(iii) Estimated share issue expenses	Within 3 months	2,000
Total proceeds		22,115

We will bear all expenses and fees incidental to the listing of and quotation for our entire enlarged issued and paid-up share capital on the Second Board of Bursa Securities, which include underwriting commission, placement fees, brokerage, professional fees, authorities' fees, advertising and other fees. The aggregate expenses are estimated to be approximately RM2.0 million.

The Offer For Sale will raise gross proceeds of approximately RM21.59 million. This amount shall accrue entirely to the Offerors and no part of the proceeds is receivable by our Company. The Offerors shall bear all expenses such as brokerage, stamp duty, registration and share transfer fees relating to the Offer Shares estimated to be approximately RM0.22 million.

Notes:-

(i) Repayment of Bank Borrowings

We shall set aside RM5.0 million of the proceeds for the repayment of our Group's bank borrowings.

As at 30 September 2007, our Group's total bank borrowings are approximately RM38.42 million.

The allocation for the repayment of our Group's bank borrowings is as set out below:-

Name of Bank	Type of Facility	Purpose	Amount of Bank Borrowings Repayment RM'000
Hong Leong Bank Berhad	Term loan	Capital expenditure	1,836
Hong Leong Bank Berhad	Bankers' acceptances/ Bank overdraft	Working capital	3,164
Total			5,000

Such borrowings have been utilised to finance, inter alia, our capital expenditure and working capital requirements, which include purchase of machinery and equipment, payment of creditors, purchase of raw materials/ stocks and operating expenses.

2. PARTICULARS OF THE IPO (Cont'd)**(ii) Purchase of Machinery and Equipment**

We intend to utilise RM6.0 million for the purchase of new machinery and equipment mainly to cater for our Group's future business growth including the production of new products and expansion into new export markets, as disclosed in Section 4.7 of this Prospectus.

(iii) Working Capital

Of the total proceeds, approximately RM9.12 million will be used as our general working capital, which includes payment of creditors, salaries, purchase of raw materials/ stock and operating expenses.

(iv) Estimated Share Issue Expenses

The estimated share issue expenses for the listing of and quotation for our entire enlarged issued and paid-up share capital of 106,000,000 Shares on the Second Board of Bursa Securities are as follows:-

Estimated Share Issue Expenses	Amount RM
Fees to authorities	132,500
Professional fees #	650,000
Underwriting, placement fees, brokerage fees, printing, advertising and other miscellaneous expenses @	1,217,500
Total	2,000,000

Notes:-

Include fees for the Adviser, Reporting Accountants, Solicitors, Independent Market Researcher and other professional advisers.

@ Any unutilised amount shall be used for our working capital purposes.

Any variation in the actual listing expenses from the estimated amount will be adjusted via our working capital.

2.7.2 Financial Impact from Utilisation of Proceeds

The utilisation of the Rights Issue and Public Issue proceeds is expected to have the following financial impact on our Group:-

- (i) The repayment of borrowings will reduce the Group's gearing level from approximately 0.80 times to 0.49 times (based on our proforma Group's total borrowings as at 30 September 2007 and our proforma Group shareholders' funds as at 30 September 2007 as disclosed in Section 1.5 of this Prospectus). At the prevailing average interest rate of approximately 5.50% per annum, we will be able to save interest cost of approximately RM0.28 million per annum.
- (ii) Based on the assumption that our Group will obtain bank borrowings of RM6.0 million to finance the item (ii) set out above in Section 2.7.1 of this Prospectus, the financial impact of the utilisation of RM6.0 million proceeds to repay the said RM6.0 million bank borrowings will result in an estimated interest savings of approximately RM0.33 million per annum for our Group based on an average interest rate of approximately 5.50% per annum.

2. PARTICULARS OF THE IPO (Cont'd)

2.8 UNDERWRITING COMMISSION, PLACEMENT FEE AND BROKERAGE

The Underwriters as mentioned in Corporate Directory Section of this Prospectus, have agreed to underwrite the 11,300,000 Public Issue Shares to be issued to the Malaysian Public and the eligible Directors, employees and business associates of our Group. Our Company will pay the Underwriters an underwriting commission in respect of the Public Issue Shares at the rate of 2.0% of the total 11,300,000 Shares to be underwritten at the IPO Price.

Our Company will pay a placement fee at the rate of 1.50% of the IPO Price in respect of the Placement Shares successfully placed out by the Sole Placement Agent.

Brokerage is payable by our Company in respect of the Public Issue Shares made available for application by the Malaysian Public at the rate of 1.0% of the IPO Price in respect of successful applications which bear the stamp of AmInvestment Bank, member companies of Bursa Securities, members of the Association of Banks in Malaysia, members of the Association of Merchant Banks in Malaysia or MIH.

2.9 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The salient clauses of the Underwriting Agreement dated 14 January 2008 ("**Agreement**"), including escape clauses, which may allow the Managing Underwriter and/or the Underwriters to withdraw from its obligations under the Agreement after the opening of the offer as extracted from the Agreement, are set out below.

Unless otherwise stated, all capitalised terms shall bear the same meanings as prescribed in the Agreement.

"14. TERMINATION

14.1 Notwithstanding anything contained in this Agreement, the Underwriters and/or the Managing Underwriter (as the case may be) may by notice in writing to the Company given at any time before the Closing Date, terminate, cancel and withdraw their Underwriting Commitment if:-

14.1.1 there is any breach by the Company of any of the representations, warranties or undertakings contained in Clause 11 (Representations, Warranties and Undertakings) or which is contained in any certificate, statement or notice provided under or in connection with this Agreement, which is not capable of remedy or, if capable of remedy, is not remedied within such number of days as stipulated in the notice of such breach given to the Company; or

14.1.2 there is failure on the part of the Company to perform any of its obligations contained in this Agreement, including the non-listing and non-quotation of the entire issued and paid-up share capital of the Company on the Second Board of Bursa Securities; or

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2. PARTICULARS OF THE IPO (Cont'd)

- 14.1.3 there is withholding of information of a material nature from the Underwriters which is required to be disclosed pursuant to this Agreement which, in the opinion of the Underwriters, would have or can reasonably be expected to have, a material adverse effect on the business or operations of the Group, the success of the Public Issue, or the distribution or sale of the Shares issued under the Public Issue and the distribution or sale of the Offer Shares (whether in the primary market or in respect of dealings in the secondary market) or the listing of the Company on Bursa Securities or market conditions generally or which has or is likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms; or
- 14.1.4 there shall have occurred, or happened any material and adverse change in the business or financial condition of the Company or the Group; or
- 14.1.5 there shall have occurred, or happened any of the following circumstances:-
- 14.1.5.1 any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
- 14.1.5.2 any new law, regulation, directive, policy or ruling or any change in existing laws, regulations, directives, policies or rulings or any change in the interpretation or application thereof by any court or other competent authority which would prohibit or impede the obligations of the Managing Underwriter and/or all or any of the Underwriters under this Agreement; or
- 14.1.5.3 any government requisition or other occurrence of any nature whatsoever which in the reasonable opinion of the Underwriters affects or will affect the business and/or financial position of the Company; or

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2. PARTICULARS OF THE IPO (Cont'd)

- 14.1.5.4 any event or series of events beyond the reasonable control of the Underwriters including (without limitation) acts of government, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents which has or is likely to have the effect of making any material part of this Agreement incapable of performance with its terms or which prevents the processing of applications and/or payments pursuant to the Public Issue or pursuant to the underwriting of the Underwritten Shares; which, in the reasonable opinion of the Underwriters, would have or can reasonably be expected to have, a material adverse effect on, and/or materially prejudice the business or the operations of the Company or the Group as a whole, the success of the Public Issue, or the listing of the Company on Bursa Securities or market conditions generally or which has or is likely to have the effect of making any material part of this Agreement incapable of performance in accordance with its terms; or
- 14.1.5.5 the approval-in-principle of Bursa Securities for the listing and the quotation of the Shares on the Second Board of Bursa Securities is withdrawn; or
- 14.1.5.6 the Kuala Lumpur Composite Index has dropped below 850 points and stayed below 850 points for at least three (3) consecutive Market Days.
- 14.2 Upon any such notice(s) being given pursuant to Clause 14.1 (Termination), the Underwriters shall be released and discharged of their respective obligations without prejudice to their rights under this Agreement, and where the Underwriters have terminated, cancelled or withdrawn their Underwriting Commitments pursuant to Clause 14.1 (Termination), this Agreement shall be of no further force or effect and no party shall be under any liability to any other parties in respect of this Agreement, save and except that the Company shall remain liable in respect of its obligations and liabilities under Clause 10 (Fees and Commission), under Clause 11 (Representations, Warranties and Undertakings) and under Clause 12 (Costs and Expenses) for the payment of costs and expenses already incurred up to the date of or in connection with such termination and under Clause 8.3.2 (Prospectus and Listing) for the payment of any taxes, duties or levies, and for any antecedent breach and/or the return to the Underwriters any moneys advanced under this Agreement within 72 hours of receipt of such notice.
- 15. Undertakings and Authority of the Underwriters and the Managing Underwriter**
- 15.1 Each of the Underwriters severally undertakes with and represents and warrants to the Company that:-
- 15.1.1 it will duly observe and comply with all applicable laws and regulations in each jurisdiction in which it may offer or sell the Underwritten Shares;

2. PARTICULARS OF THE IPO (Cont'd)

- 15.1.2 its obligations under this Agreement constitute legal, valid and binding obligations of each of the Underwriters enforceable by the Company against each of the Underwriters in accordance with the terms of this Agreement;
- 15.1.3 subject to compliance by the Company with the terms of this Agreement, it will each consent to the inclusion of their names in the Prospectus in the form and context in which it appears in the Prospectus.
- 15.2 Each Underwriter severally authorizes the Managing Underwriter to exercise and carry out all the discretions, authorities, powers and duties where conferred on it as agent for the Underwriters by this Agreement together with such powers reasonably incidental to them and this authority shall apply notwithstanding that the Managing Underwriter may have a conflict of interest or interest in relation to the exercise of its discretions, authorities, powers and duties conferred on it.
- 15.3 The Company may rely on all consents, waivers, exercises of discretion and any other acts of the Managing Underwriter when acting as agent for the Underwriters as being duly and expressly authorized by the Underwriters.
- 15.4 The Managing Underwriter will notify each Underwriter and provide such Underwriter with a copy of any communication between the Company and the Managing Underwriter when acting in its capacity as agent for the Underwriters on any matter related to this Agreement.
- 15.5 The Managing Underwriter shall have the right and absolute discretion to round up and deal with fractional numbers of Unsubscribed Underwritten Shares to the nearest board lot of 100 Shares (so far as possible) to be underwritten by the Underwriters in accordance with their respective percentages as set out in column 4 of Schedule 2 in the event of an under subscription of the Underwritten Shares and the Managing Underwriter shall give notice of such rounding up (if any) to the Underwriters ("the Rounding-up Notice") together with the Underwriting Notice pursuant to Clause 9.2 (Underwriting Obligations) of this Agreement."

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3. RISK FACTORS

In evaluating an investment in the IPO Shares, you should carefully consider all information contained in this Prospectus including but not limited to the general and specific risks of the following risk factors:-

Risk Relating to Our Group and Industry

(i) Dependence on Suppliers

Our Group is relatively dependent on our top two (2) suppliers, Titan and ExxonMobil. For the financial year ended 31 December 2006, Titan and ExxonMobil accounted for approximately 46.0% and 24.0% of our Group's total purchases of raw materials respectively whilst for the nine (9) months period ended 30 September 2007, Titan and ExxonMobil accounted for approximately 50.0% and 22.0% of our Group's total purchases of raw materials respectively.

However, our Group's mitigating factor against dependency on our top two (2) suppliers are as follows:-

- (a) Our Group has at least two (2) suppliers for the sourcing of any one (1) type of raw materials so as not to be excessively dependent on any one (1) single supplier for any particular raw material;
- (b) Our Group has been dealing with Titan and ExxonMobil for the last sixteen (16) and eighteen (18) years respectively. This long-term and established business relationships will provide the basis for reliable and continuous support from the top two (2) suppliers for the supply of plastic resins; and
- (c) Our Group has other plastic resins suppliers such as Sabic Asia Pacific Pte Ltd, Mitsubishi Corporation (Singapore), Mitsubishi Corporation (Hong Kong) Ltd, Malaysian International Trading Corporation Sdn Bhd and Polyethylene Malaysia Sdn Bhd. As such, if there is any shortage of plastic resins from any particular supplier, our Group can easily source from alternative suppliers.

Our Group is aware of the risk of being too dependent on our top two (2) suppliers of plastic resins and will continue to take the initiatives to source for comparable suppliers. We believe that we can easily source for new or alternative suppliers as most of our raw materials can be readily sourced worldwide.

(ii) Fluctuation in Prices of Raw Materials

Plastic resins are one (1) of the main types of raw materials in the manufacturing of FPP products. Crude oil and natural gas are two (2) major ingredients in the manufacturing of plastic resins. Being industrial commodities, crude oil and natural gas are subjected to fluctuation in prices. The prices of plastic resins also fluctuate in tandem. According to MPMA, the prices of plastic resins have generally seen an upward trend in recent years due to a combination of global effects, one of them being the global political instability of oil producing countries which led to rising crude oil prices.

While crude oil and natural gas has an impact on the overall fluctuation of the plastic resin prices, which in turn account for a reasonable portion of the costs on average, it might not be as damaging as expected to FPP players since many pass these costs on to customers, a fact that most customers know and are accustomed to adjusting for.

3. RISK FACTORS (*Cont'd*)

Albeit fluctuation in raw material prices in the FPP industry, the competitive prices as well as high quality products and services offered by local FPP players will continue to attract buyers from overseas countries including Japan, Singapore, UK, US, Australia and France.

(Source: *Independent Market Research Report on "The Flexible Plastic Packaging Products Industry in Malaysia" by D&B Malaysia*)

As crude oil and natural gas are the two major ingredients for plastic resins, any fluctuation in the prices of these commodities, which are subject to both domestic and international demand and supply, will indirectly have an impact on the overall fluctuation in the prices of plastic resins. Nevertheless, in the event of cost fluctuation, we believe that our Group is able to address such costs increase by adjusting our selling price accordingly.

Notwithstanding this, no assurance can be given that any fluctuation of the raw material prices will not have any material impact on our Group's business.

(iii) **Impact of Increasing Trend in the Prices of Plastic Resins on Gross Profit Margin**

Plastic resin is one of the main raw materials used in our Group's production process. As plastic resin is a petrochemical-based material, the prices of plastic resins are generally linked to the prices of crude oil, which in turn are highly susceptible to price fluctuation. As such, any increase in the prices of plastic resins will have a direct impact on our Group's overall cost of sales, and in the event the increase in costs could not be passed on to our customers, our Group's gross profit margin will be eroded and hence affecting our Group's profitability.

The prices of plastic resins have been on an increasing trend and this will have an adverse impact on our Group's gross profit margin in the event the increase in prices could not be passed on to our customers. Our Group endeavours to mitigate this risk by undertaking the following strategies:-

- (a) Changing the production and sales mix of our Group's products that command a higher profit margin such as printed polybags, Baran, VFFS and plastic packaging films for medical products from those of lower margin products such as T-shirt bags and garbage bags. This will protect our Group's margin by providing our Group with certain buffer in terms of timing differences in the increase of the prices of raw materials and passing the cost to our customers through the increase in the selling prices; and
- (b) Our Group could further down-gauge our end products as our management is armed with more than thirty (30) years of experience in this industry. Our Group's recent experience in further down-gauging of VFFS film has resulted in an estimated 12% to 17% of savings in the consumption of raw materials.

Whilst our Group believes that we have taken the necessary precautionary steps to mitigate this risk, there is no assurance that any adverse fluctuation in the prices of plastic resins will not have a material adverse effect on our Group's profitability.

3. RISK FACTORS (Cont'd)**(iv) Dependence on the Khaw Family's Members, Directors and Key Management**

The continued success of our Group will largely depend, to a significant extent, upon the abilities and continued efforts of the following Khaw family's members who are actively involved in our Group's operations:-

Khaw Family Members	Designation	No. of Shares Held in SLP After the IPO ^(a)			
		Direct	%	Indirect	%
<u>Promoters, Directors and Substantial Shareholders</u>					
Khaw Khoon Tee	Managing Director	7,400,000	6.98	^(b) 42,400,000	40.00
Ong Peik Joo	Executive Director	5,770,000	5.44	^(b) 42,400,000	40.00
<u>Director and Substantial Shareholder</u>					
Khaw Seang Chuan	Executive Director	470,000	0.44	^(b) 42,400,000	40.00
<u>Director</u>					
Khaw Choon Hoong	Executive Director	470,000	0.44	-	-
<u>Key Management</u>					
Khaw Seang Ghee	Technical Director	500,000	0.47	-	-
Khaw Choon Choon	Logistics Manager	500,000	0.47	-	-
Khaw Seang Seng	Mechanical and Electrical Engineer	500,000	0.47	-	-
Chuah Tee Lin	QA Manager	60,000	0.06	-	-
Chew Sheau Ching	Production Planning Manager	120,000	0.11	-	-

Notes:-

(a) Including his/her entitlement for the Pink Form Shares allocation pursuant to the IPO.

(b) Deemed interested by virtue of his/her shareholding of not less than 15% in KTFBS pursuant to Section 6A of the Act.

Please refer to Section 5.8 of this Prospectus for details of the family relationships.

The loss of any of the Khaw family's members may adversely affect our continued ability to manage the operations in an effective and efficient manner. Further, as shown in the table above, certain of the Khaw family's members also hold Shares in SLP via KTFBS which control 40.0% of our enlarged issued and paid-up share capital. As such, there is a risk to our business should KTFBS dispose of its shareholdings in SLP. Further disclosure on the risk related to control by our Promoters and substantial shareholders is set out in Section 3(xvii) of this Prospectus.

Our success is also dependent on the continued efforts of our Group's other existing Directors and key management staff who have been instrumental to our Group's growth and expansion. Accordingly, the loss of any key personnel may have an effect on our Group's operations.

The Board recognises the importance of our Group's ability to attract and retain the key personnel and have in place a human resources strategy, which includes a suitable compensation package and a human resources training and development programme for all supporting employees in all key functions of our Group's operations. Through structured on-the-job training and grooming of the next generation of key management, our Group has made continuous efforts to strategically develop an experienced and stable management team to ensure continuous transfer of technical knowledge. Furthermore, all technical and standard operating procedures are well documented in our Group's production and quality manuals. These include all detailed work scopes, testing methods, codes of practices and work documents such as forms, checklists as well as other relevant references. As such, the loss of any key personnel is not expected to cause any major disruption to our Group's operations.

Moreover, the Board believes that there will not be any change in the Khaw family's shareholdings, as they have played an active role in the growth of our Group and have taken the efforts to promote and continue to grow our Group to be in a stronger position.

3. RISK FACTORS (Cont'd)

(v) Competitive Risks

Traditionally, the FPP Industry has low barriers to entry as competition is stiff with an estimated 455 manufacturers/ converters of plastic bags, sheets and films. The high level of competition also results in the existence of "price-squeezes", whereby prices lack the flexibility needed to increase easily. However, in the higher end of the market, competition is less intense. Companies which have been able to capture a significant share of the market are those which have invested in high technology production equipment producing quality products that comply with international standards, concentrate on local distribution within regional centres and developed an export market for their own products.

(Source: Independent Market Research Report on "The Flexible Plastic Packaging Products Industry in Malaysia" by D&B Malaysia)

As with all competitive situations, there is a risk that we may not be able to compete effectively against other manufacturers, thus impacting on our business.

In mitigation, our Directors believe that our Group is in a competitive position against our competitors in both Malaysia and overseas as our Group conforms to international quality standards including ISO accreditation and compliance, and is able to meet the requirements and specifications of our customers. Besides, our Group has the capability to undertake in-house R&D to produce better quality and innovative products at competitive prices that fulfil stringent customers' requirements and end-user market applications.

(vi) Foreign Currency Risk

Our Group is exposed to fluctuation in foreign exchange through the export of our products and import of our raw materials, which are transacted in USD and JPY. Fluctuation in foreign exchange rates will have an impact on the prices of imported raw materials as well as export earnings.

For the financial year ended 31 December 2006 and the nine (9) months period ended 30 September 2007, exports sales accounted for approximately 47.7% and approximately 40.4% of our Group's total revenue respectively while approximately 37.7% and 35.4% of our Group's raw materials were imported respectively. These are mainly transacted in foreign currencies.

In mitigation, we have adopted a prudent approach by hedging our net foreign currencies exchange exposure by entering into short term forward currency contracts. In addition, our Group maintains foreign currency accounts which receive sales proceeds in USD and JPY from our overseas customers. Such proceeds in foreign currencies are then used to make payments to overseas suppliers for purchases of raw materials such as plastic resins. We believe that our internal control policies should be able to minimise the foreign currency risks. However, no assurance can be given that any adverse movement in the foreign currency rate(s) will not have any adverse impact on our Group's financial performance in the future.

(vii) Business Risks

Our Group is subject to certain risk inherent to the FPP Industry. These may include entry of new players, shortage in workforce, increase in cost of workforce and operating cost in government policies affecting the industries, changes in general economic, business and credit conditions, and introduction of new technologies.

3. RISK FACTORS (Cont'd)

We have taken steps to mitigate the risks through continuous effort to maintain good business relationships with our customers and suppliers, efficient cost control, increasing the use of automation to improve the efficiency of our operations and reduce dependency on labour. We also embrace new technology to continuously improve our products and services to meet customers' demand and expectations.

However, no assurance can be given that any change to these factors will not have a material adverse effect on our business.

(viii) Financial Risks

In terms of financials, our Group has been profitable for the last five (5) financial years. We rely partially on our internally generated funds and short term financing to fund our growth and operations.

Our Group's borrowings and indebtedness are disclosed in Section 9.6 of this Prospectus. As at 30 September 2007, our Group's total borrowings amounted to approximately RM38.42 million. We intend to utilise part of the proceeds arising from the Rights Issue and Public Issue to repay our bank borrowings. Based on our Proforma Consolidated Balance Sheets as at 30 September 2007 after incorporating the effects of the listing proposals and the utilisation of proceeds, our Group's gearing level is approximately 0.49 times.

Our Group's working capital requirements are met partially by internally generated funds and borrowings. Given that we have interest bearing borrowings, future fluctuation in the interest rate could have material effects on our Group's interest and principal payments. There can be no assurance that our performance will not be affected in the event of adverse changes in the interest rates. Notwithstanding this, our Group believes that our prudent cash flow management will be able to generate sufficient funds to service the bank borrowings and credit facilities.

(ix) Environment Risk

There are pressure groups such as environmental activists and health-care providers that call for plastic materials recycling and reduced toxic emissions of production process. Globally, new environmental regulations, societal concerns and a growing environmental awareness throughout the world has triggered a paradigm shift for manufacturers to develop products and processes that help preserve world resources and are environmental friendly. In this aspect, our Group's products are known to be environmentally friendly. Raw materials used are mostly recyclable. Clear scraps from production are reused in the production of plastic packaging products.

Recycling further creates an environmentally friendly corporate image which benefits us as a whole in portraying our green corporate image to existing and potential global customers, many of which uphold the importance of selecting vendors with environmental management systems of international standards.

Moving forward, the trend towards downgauging will be increasingly evident in advanced economies such as Japan and Europe. Improvements in resin design and polymer processing have allowed downgauging of plastic packaging material. In addressing recent global warming concerns, our Group is also moving towards using recyclable materials to reduce the impact on global warming. In summary, our Group aims to produce plastic bags that serve multi-uses and support the environment friendly initiatives to reduce, reuse and recycle.

(Source: *Independent Market Research Report on "The Flexible Plastic Packaging Products Industry in Malaysia" by D&B Malaysia*)

Our Group will continuously ensure that all necessary measures and steps are being taken to comply with the relevant environmental regulations at all times.

3. RISK FACTORS (Cont'd)

(x) Licence and Government Control

We have been granted manufacturing licence to manufacture the plastic packaging products and plastic related goods (details are set out in Section 4.2.4 of this Prospectus). Our business operations are subject to the laws and regulations of the jurisdiction where our Group is operating including numerous government agencies or ministries such as MITI and we are subject to the respective rulings, directions, policies and guidelines from time to time. There is no assurance that future changes to the laws, regulations, rulings, directions, policies and guidelines within and outside Malaysia will not affect the operation and performance of our Group.

(xi) Rapid Technological Changes

The FPP Industry operates within an ever-changing technological environment, where related problems and costs are increasing too rapidly as a result of fast-changing technology. Machinery and equipment are very expensive, resulting in the industry being very capital intensive. Thus, unless companies are profitable and financially strong, they will not be able to upgrade to the latest machinery. Large and established companies like our Group are well-equipped to handle large customer orders that require customised and high quality products. Our management envisions to be the preferred supplier for products that meet international quality standards. We have plans to continue investing in more advanced machineries and production technologies to keep abreast with the latest technology and technical know-how.

Nevertheless, despite management's actions in mitigating and minimising risks associated with technologies, there is no assurance that such risks may not have material impact on our Group's business.

(xii) Time-to-Market

In a market place where delivery and quality are the key contributors in achieving process efficiency, many manufacturers struggle to meet customers' quick time-to-market requirements. What sets a manufacturer from other manufacturers largely depends on their rapid time-to-market capabilities, which is a requirement for most customers. Manufacturers in this industry must continuously accelerate time-to-market at cost-effective rates. Manufacturers need to combine their technology such as design and manufacturing process software, coupled with skills and automation to manufacture high quality FPP products at a quicker speed and are competitively priced.

(Source: Independent Market Research Report on "The Flexible Plastic Packaging Products Industry in Malaysia" by D&B Malaysia)

Our Directors believe that our continuing efforts in providing high quality, prompt delivery and competitively priced products to our customers provide us with an edge to compete effectively in the market. This is reflected by the long-standing business relationship we have enjoyed with most of our customers. Furthermore, our Group was recognised as a reliable supplier since 1994, having provided quality products with on-time-delivery, and was awarded "Best Supplier Status" by Aicello (M) Sdn Bhd in 2005.

3. RISK FACTORS (Cont'd)

(xiii) Security and System Disruption

Our Group's manufacturing division may face the risk of machinery breakdown, which eventually will slowdown our production. Moreover, there is a risk that there might be interruptions, which could be as a result of power failure, fire breakouts or act of God. Our Group mitigates this risk by using generator or back-ups should there be any disruption which is caused by power failure. Our Group has not experienced any major manufacturing disruption for the past few years and will continue to undertake preventive measures such as regular maintenance schedule for our machine and equipment.

(xiv) Absence of Long-Term Contracts

The nature of the FPP industry is such that companies do not have any formal long-term contracts with its customers and/or suppliers due to the price competitiveness of the industry. The failure to secure future orders due to the absence of long-term contracts may have a material adverse impact on the future financial performance of such companies.

Despite the absence of long-term contracts with our customers, our Group does not foresee termination of service from any of our major customers as our Group collaborates with our customers on many aspects including technology and quality issues. We have earned the confidence and recognition of our customers due to our track record of delivering products that are of high quality in a consistently prompt manner. Our Group has satisfied the stringent demands imposed by our customers, thus enabling long-standing business relationships to be maintained. Furthermore, in the event of complete termination of orders, the "switching-cost" of moving from one (1) supplier to another, from the customer's point of view, is also not economically viable and requires a long gestation period of acceptance.

(Source: Independent Market Research Report on "The Flexible Plastic Packaging Products Industry in Malaysia" by D&B Malaysia)

(xv) Borrowings Covenants

Pursuant to credit facility agreements entered into by our Group with banks or financiers, it is bound by certain positive and negative covenants which may limit our operating and financial flexibility. The aforesaid covenants are of a nature, which is commonly contained in credit facility agreements in Malaysia. Any act by our Group falling within the ambit or scope of such covenants will require the consent of the relevant bank/ financier. Breach of such covenants may give rise to a right by the bank/ financier to terminate the relevant credit facility and/or enforce any security granted in relation to that credit facility. Our Board is aware of such covenants and shall take all necessary precautions to prevent any such breach.

(xvi) Insurance Coverage on Assets

We are aware of the adverse consequences arising from inadequate insurance coverage that could impact on our Group's business operations. In ensuring such risks are maintained to the minimum, we review and ensure adequate coverage for our Group's assets on a continuous basis.

For our Group's operations, all assets such as plant and machineries, inventory, office equipment and furniture and fitting are sufficiently insured under fire and other insurance policies.

3. RISK FACTORS (Cont'd)

Other Risks

(xvii) Control by Promoters and Substantial Shareholders

After the IPO, our Promoters and substantial shareholders, as set out in Section 1.2 of this Prospectus will collectively control 52.86% of our enlarged issued and paid-up share capital. As a result, our Promoters and substantial shareholders will be able to exercise some extent of influence on the outcome of certain matters requiring the vote of our shareholders unless they are required to abstain from voting by law, covenants and/or by the relevant authorities.

(xviii) Political, Economic and Regulation Considerations

All business operations are subject to the jurisdiction of numerous governmental agencies or ministries. Adverse development in political, economic and regulatory conditions in Malaysia as well as other countries where our Group may operate, source its supplies or market its products could materially and adversely affect the financial and operational conditions as well as the overall profitability of our Group. Political and economic uncertainties include (but not limited to) changes in general economic, business and credit conditions, government legislations and policies affecting manufacturers, inflation, interest rates, fluctuation in foreign exchange rates, political or social development, risks of war, expropriation, nationalisation, renegotiation or nullification of existing contracts, methods of taxation and currency exchange controls. As disclosed in Section 4.4.7 of this Prospectus, our Group's business is subject to certain laws and regulations.

Although our Group is adopting a prudent approach on our financials, there is no assurance that adverse political and economic development will not have a material impact on our Group.

(xix) Achievability of Profit Estimate and Forecast

It should be noted that the profit estimate and forecast are based on various assumptions with respect to the levels and timing of revenues, cost, interest rates, exchange rates and various other matters of an operational or financial nature, which assumptions are believed by our Directors to be reasonable. These assumptions are nevertheless subject to uncertainties and contingencies. Because of the subjective judgments and inherent uncertainties of estimate and forecast, and because of the events and circumstances may not occur as expected, no assurance can be given that such assumptions and the resultant estimate and forecast results will be realised, and actual results may be materially different from that shown. You should note carefully the bases and assumptions to the profit estimate and forecast as well as the comments by the Reporting Accountants in their letter on the consolidated profit estimate and forecast as set out in Section 9.7 of this Prospectus.

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3. RISK FACTORS (Cont'd)

(xx) Disclosure Regarding Forward-Looking Statements

Certain statements in this Prospectus are based on historical data, which may not be reflective of the future results, and any forward-looking statements in nature are subject to uncertainties and contingencies. All forward-looking statements are based on estimate and forecast, and assumptions made by our Company, and although believed to be reasonable, are subject to unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance of achievements expressed or implied in such forward-looking statements. Such factors include, inter-alia, general economic and business conditions, competition and the impact of new laws and regulations affecting our Group. In the light of these and other uncertainties, the inclusion of any forward-looking statements in this Prospectus should not be regarded as a representation by us or our adviser that the plans and objectives of our Group will be achieved.

(xxi) No Prior Market for Our Shares

Prior to this IPO, there has been no public market for our Shares. There can be no assurance that an active market for our Shares will develop and continue to develop upon or subsequent to our listing on the Second Board of Bursa Securities or, if developed, that such a market will be sustained. The IPO Price has been determined after taking into consideration a number of factors, including but not limited to, our Group's financial and operating history and condition, our prospects and the prospects of the industry in which our Group operates, our management, the market prices for shares of companies engaged in business similar to that of our Group and the prevailing market conditions at the time the application for our listing was submitted to the SC. There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the Second Board of Bursa Securities upon or subsequent to our listing.

(xxii) Failure/ Delay in the Listing

The success of the listing exercise is also exposed to the risk that it may fail or be delayed should any of the following events occurs:-

- (a) The Bumiputera investors approved by MITI fail to subscribe for the IPO Shares allocated to them;
- (b) The underwriters of the IPO fail to honour its obligation under the underwriting agreements;
- (c) The placees under the Private Placement fail to subscribe for the IPO Shares allocated to them; and
- (d) We are unable to meet the public spread requirements, i.e. at least 25% of our total enlarged issued and paid-up share capital must be held by a minimum of one thousand (1,000) public shareholders holding not less than one hundred (100) Shares each in our Company at the point of listing.

Our Group will comply with the Listing Requirements and SC Guidelines whichever is applicable and relevant to the above. However, there can be no assurance that the abovementioned factors/ events will not cause a delay in or abortion of the Listing.