SLP RESOURCES BERHAD

(663321-I)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

The Board of SLP Resources Berhad ("SLP" or "the Company") is pleased to announce the following unaudited consolidated results for the second quarter and financial period ended 30 June 2010.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2010

	Note	Individual Quarter (3 months)		Cumulative Quarter (6 months)	
		Current Quarter Ended 30.06.2010 RM'000	Preceding Year Corresponding Quarter Ended 30.06.2009 RM'000	Current Period Ended 30.06.2010 RM'000	Preceding Year Corresponding Period Ended 30.06.2009 RM'000
Revenue	A9	40,729	30,357	79,111	58,880
Operating profit		1,339	1,686	6,207	5,535
Interest income		5	50	63	116
Finance costs		(89)	(112)	(172)	(376)
Profit before tax		1,255	1,624	6,098	5,275
Income tax expenses	B5	(353)	(440)	(854)	(740)
Profit for the period		902	1,184	5,244	4,535
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		902	1,184	5,244	4,535
Profit and total comprehensive income attributable to:					
Equity holders of the Company		902	1,184	5,244	4,535
Minority interests		-	-	-	-
Profit for the period		902	1,184	5,244	4,535
Earnings per share					
Basic (Sen)	B14	0.36	0.48#	2.12	1.83#
Diluted (Sen)		N/A	N/A	N/A	N/A

Note:

The Condensed Consolidated Statement of Comprehensive Income is unaudited and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

The weighted average number of ordinary shares in issue of the comparative quarter/ preceding year to date has adjusted for the effect of Share Split involving the subdivision of every existing one (1) ordinary share of RM0.50 each into two (2) ordinary shares of RM0.25 each and Bonus Issue involving the issuance of 35,333,333 new ordinary shares on the basis of one (1) Bonus Share for every six (6) Ordinary Shares, which was completed on 26 April 2010.

SLP RESOURCES BERHAD
(660321-T)
(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Note	UNAUDITED As at 30.06.2010 RM'000	AUDITED As at 31.12.2009 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		51,618	54,330
Other investment		1,352	1,352
Intangible assets		835	1,000
		53,805	56,682
Current Assets			
Inventories		18,824	16,485
Receivables, deposits and prepayments		29,855	25,142
Current tax assets		34	238
Cash and cash equivalents		11,308	8,620
		60,021	50,485
TOTAL ASSETS		**113,826**	**107,167**
EQUITY AND LIABILITIES			
Equity			
Share capital		61,833	53,000
Reserves		13,523	19,585
Total equity attributable to equity holders of the Company		75,356	72,585
Minority interests		-	-
TOTAL EQUITY		75,356	72,585
Non-current Liabilities			
Loans and borrowings	B9	3,939	5,922
Deferred taxation		6,432	6,350
		10,371	12,272
Current Liabilities			
Payables and accruals		12,877	12,037
Loans and borrowings	B9	12,347	9,978
Current tax liabilities		402	295
Dividend payable		2,473	-
		28,099	22,310
TOTAL LIABILITIES		38,470	34,582
TOTAL EQUITY AND LIABILITIES		**113,826**	**107,167**
Net assets per ordinary share attributable to ordinary equity holders of the Company (RM)		0.30	0.29#

Note:

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

The number of ordinary shares in issue of the comparative preceding year has adjusted for the effect of Share Split involving the subdivision of every existing one (1) ordinary share of RM0.50 each into two (2) ordinary shares of RM0.25 each and Bonus Issue involving the issuance of 35,333,333 new ordinary shares on the basis of one (1) Bonus Share for every six (6) Ordinary Shares, which was completed on 26 April 2010.

SLP RESOURCES BERHAD

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010

	< -------Attributable to equity holders of the Company------>							
	←-- Non Distributable Reserves --→				Distributable			
	Share Capital RM'000	Reverse Acquisition Reserve RM'000	Revaluation Reserve RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Balance as at 1 January 2010	53,000	(26,639)	6,707	7,483	32,034	**72,585**	-	**72,585**
Bonus Issue of 35,333,333 new ordinary shares of RM0.25 each	8,833	-	-	(7,483)	(1,350)	**-**	-	**-**
Total comprehensive income for the period	-	-	-	-	5,244	**5,244**	-	**5,244**
Dividend payable	-	-	-	-	(2,473)	**(2,473)**	-	**(2,473)**
Balance as at 30 June 2010	61,833	(26,639)	6,707	-	33,455	**75,356**	-	**75,356**
Balance as at 1 January 2009	53,000	(26,639)	6,707	7,483	29,670	**70,221**	-	**70,221**
Total comprehensive income for the period	-	-	-	-	4,535	**4,535**	-	**4,535**
Dividend payable	-	-	-	-	(2,120)	**(2,120)**	-	**(2,120)**
Balance as at 30 June 2009	53,000	(26,639)	6,707	7,483	32,085	**72,636**	-	**72,636**

Note:

The Condensed Consolidated Statement of Changes in Equity is unaudited and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

SLP RESOURCES BERHAD
(663032-H)
(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010

	Current Period Ended 30.06.2010 RM'000	Preceding Year Corresponding Period Ended 30.06.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,098	5,275
Adjustments:		
Amortisation and depreciation	3,233	3,180
Interest income	(63)	(116)
Interest expense	172	376
Fixed assets written off	2	-
Operating profit before changes in working capital	**9,442**	**8,715**
Changes in working capital		
Inventories	(2,339)	4,542
Receivables	(7,807)	10,865
Payables	3,827	4,012
Cash generated from operations	3,123	28,134
Tax paid	(353)	(255)
Net cash from operating activities	**2,770**	**27,879**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant, property and equipment	(358)	(884)
Additions of intangible assets	-	(159)
Interest received	63	116
Net cash used in investing activities	**(295)**	**(927)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase/ (decrease) in other borrowings	3,057	(18,453)
Repayment of finance lease liabilities	(119)	(122)
Repayment of term loans	(2,553)	(6,241)
Interest paid	(172)	(376)
Net cash from/ (used in) financing activities	**213**	**(25,192)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,688	1,760
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	8,620	14,053
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**11,308**	**15,813**
Cash and cash equivalents comprise:		
Fixed and short-term deposits with licensed banks	6,700	8,915
Cash and bank balances	4,608	6,906
Bank overdraft	-	(8)
	11,308	**15,813**

Note:

The condensed consolidated cash flow statement is unaudited and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

SLP RESOURCES BERHAD
(663032-1)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

NOTES TO THE INTERIM FINANCIAL STATEMENTS
FIRST QUARTER ENDED 31 JUNE 2010

A COMPLIANCE WITH FINANCIAL REPORTING STANDARD (FRS) 134 : INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements. The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. The interim consolidated financial statements and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

A2 Accounting Policies and Methods of Computation

The accounting policies and methods of computation adopted are consistent with those used in the preparation of the most recent audited financial statements of the Group except for the adoption of the following new/revised Financial Reporting Standards ("FRSs") and interpretations, and amendments to certain FRSs and interpretations for financial period beginning 1 July 2009 and 1 January 2010 as disclosed below:

FRS 7	:	Financial Instruments - Disclosures
FRS 8	:	Operating Segments
FRS 101	:	Presentation of Financial Statements (revised)
FRS 123	:	Borrowing Costs (revised)
FRS 139	:	Financial Instruments - Recognition and Measurement
Amendments to FRS 1	:	First-time Adoption of Financial Reporting Standards
Amendments to FRS 7	:	Financial Instruments - Disclosure
Amendments to FRS 127	:	Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 139	:	Financial Instruments - Recognition and Measurement - Reclassification of Financial Assets - Collective Assessment of Impairment for Banking Institutions
IC Interpretation 9	:	Reassessment of Embedded Derivatives
IC Interpretation 10	:	Interim Financial Reporting and Impairment
Improvements to FRSs (2009)		

A2 Accounting Policies and Methods of Computation (cont'd)

Unless otherwise described below, the adoption of the above new FRSs and interpretations, and amendments to certain FRSs and interpretations do not have significant impact on the Group's financial position or results.

FRS 8 : Operating Segments

FRS 8 replaces FRS 114_{2004} Segment Reporting and requires the identification and reporting of operating segments based on internal reports that are regularly reviewed by the chief operating decision maker of the Group in order to allocate resources to the segment and to assess its performance. The adoption of FRS 8 does not have any significant impact on the Group's financial position or results.

Improvements to FRSs (2009)

Improvements to FRSs (2009) contain various amendments that result in accounting changes for presentation, recognition or measurement and disclosure purposes.

(a) FRS 117, Lease

The amendments clarify that the classification of lease of land and require entities with existing lease of land and buildings to reassess the classification of land as finance or operating lease. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment. The adoption of these amendments will result in a change in accounting policy which will be applied retrospectively in accordance with the transitional provisions.

The reclassification does not affect the basic and diluted earnings per ordinary share for the current and prior periods.

The following comparative figures have been restated following the adoption of the amendment to FRS 117 :

	31.12.2009	
Group *In thousand of RM*	**As restated**	**As previously stated**
Cost		
Property, plant and equipment	54,330	46,053
Prepaid lease payments	-	8,277

(b) FRS 138, Intangible assets

FRS 138 (revised) clarify that other amortisation methods may be used for intangible assets with finite useful lives apart from the straight–line method which is likely to be relevant to the Group. The adoption of these amendments will result in a change in accounting policy which will be applied retrospectively in accordance with the transitional provisions. The adoption of the above amendments to Improvements to FRSs (2009) does not have any significant impact on the Group's financial position or results.

A2 Accounting Policies and Methods of Computation (cont'd)

IC Interpretation 10 : Interim Financial Reporting and Impairment

IC Interpretation 10 prohibits the reversal of an impairment loss that has been recognised in an interim period during a financial year in respect of the following:

(a) goodwill;
(b) an investment in an equity instrument; or
(c) a financial asset carried at cost

In accordance with the transitional provisions, the adoption of IC Interpretation 10 to goodwill, investments in equity instruments, and financial assets carried at cost prospectively from the date the Group first applied the measurement criteria of FRS 136 : Impairment of Assets does not have any significant impact on the Group's financial position or results.

FRS 139 : Financial Instruments : Recognition and Measurement

FRS 139 sets out the new requirements for recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at the transitional date on 1 January 2010.

Financial Assets
Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held to maturity investments, available for sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, was appropriate. The Group's financial assets include cash, short term deposits, loans and receivables, available for sale financial assets.

Prior to 1 January 2010, loans and receivables were stated gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate (EIR) method. Gains and losses arising from derecognition of loans and receivables, EIR amortization and impairment losses are recognised in the income statement.

Financial Liabilities
Financial liabilities are classified as financial liabilities at fair value through profit and loss, loans and borrowings or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group's financial liabilities include trade and other payables are carried at amortised cost

The change in measurement of financial assets and liabilities do not have any significant impact on the Group's financial position or results. Available for sale financial asset is not subject to impairment in current quarter.

A2 Accounting Policies and Methods of Computation (cont'd)

FRS 101 : Presentation of Financial Statements (revised)

The revised FRS 101 separated owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owner. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with other items of recognised income and expense, either in one single statement, or with two linked statements. The Group presents the statement of comprehensive income in one single statements and the adoption of this Standard does not have any impact on the Group's financial position or results.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the preceding audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2009 were not subject to any qualification.

A4 Seasonal or Cyclical Factors

The operations of the Group during the current quarter and financial period under review have not been materially affected by any seasonal or cyclical factors.

A5 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter.

A6 Changes in Estimates

There were no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current quarter.

A7 Changes in Debt and Equity Securities

During the current quarter under review, the Company completed the following corporate exercise:

(i) Share Split involving the subdivision of every existing one (1) ordinary share of RM0.50 each into two (2) ordinary shares of RM0.25 each in the Company; and

(ii) Bonus Issue involving the issuance of 35,333,333 new ordinary shares ("Bonus Shares") on the basis of one (1) Bonus Share for every six (6) Ordinary Shares.

Upon completion of the Share Split and Bonus Issue on 26 April 2010, the issue and paid-up share capital of the Company increased from RM53,000,000.00, comprising 106,000,000 ordinary shares of RM0.50 each to RM61,833,333, comprising 247,333,333 ordinary shares of RM0.25 each.

A8 Dividend Paid

A final single tier dividend of 1.0 sen per ordinary share of RM0.25 each amounted to RM2,473,333 in respect of the financial year ended 31 December 2009 was approved by the shareholders of the Company in the Annual General Meeting held on 18 June 2010 and the said dividend was paid on 28 July 2010

A9 Segment Reporting

The Group's business is mainly confined to one business segment in the manufacturing, distributing and exporting of plastic packaging products and plastic related goods, as well as trading of polymer. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers as follows:-

	Individual Quarter (3 months)			
	Current Quarter Ended 30.06.2010 RM'000		Preceding Year Corresponding Quarter Ended 30.06.2009 RM'000	
Countries				
Malaysia	27,011	66.3%	17,037	56.1%
Japan	10,246	25.2%	8,788	29.0%
UK, Germany and Denmark	1,507	3.7%	1,550	5.1%
Australia	141	0.4%	538	1.8%
Norway	747	1.8%	1,014	3.3%
Thailand	103	0.2%	-	0.0%
Indonesia	526	1.3%	66	0.2%
Others*	448	1.1%	1,364	4.5%
Total	**40,729**	**100.0%**	**30,357**	**100.0%**

	Cumulative Quarters (6 months)			
	Current Period Ended 30.06.2010 RM'000		Preceding Year Corresponding Period Ended 30.06.2009 RM'000	
Countries				
Malaysia	51,164	64.7%	33,842	57.5%
Japan	20,070	25.4%	16,431	27.9%
UK, Germany and Denmark	3,313	4.2%	2,995	5.1%
Australia	389	0.5%	1,250	2.1%
Norway	1,083	1.4%	1,933	3.3%
Thailand	183	0.2%	142	0.2%
Indonesia	915	1.1%	203	0.3%
Others*	1,994	2.5%	2,084	3.6%
Total	**79,111**	**100.0%**	**58,880**	**100.0%**

* Others include export to Singapore, Myanmar, Slovakia and free trade zones and licensed manufacturer and warehouse ("LMW").

A10 Valuations of Property, Plant and Equipment

The valuations of land and building have been brought forward, without amendments from the audited financial statements for the year ended 31 December 2009.

A11 Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial statements as at the date of this report.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter.

A13 Changes in contingent liabilities or contingent assets

The Company has issued corporate guarantee to financial institutions for banking facilities granted to its subsidiaries up to limits of RM99.2 million as at 30 June 2010, of which approximately RM13.4 million was utilised as at 30 June 2010. The Company has also issued corporate guarantee to a non-financial institution for the supply of goods and services provided to a subsidiary up to limit of RM9.0 million, of which RM7.1 million was outstanding as at 30 June 2010.

A14 Capital Commitments outstanding not provided for in the Interim Financial Report

There was no capital commitment as at the end of the current quarter.

B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Performance

For the current quarter ended 30 June 2010, the Group recorded higher revenue of RM40.7 million as compared to the revenue of RM30.5 million recorded in the preceding year corresponding quarter. This was mainly due to higher sales volume in line with the improvement in demand particularly the domestic demand for the Group's products. The Group's profit before tax of RM1.2 million in the current quarter was however lower than the profit before tax of RM1.6 million recorded in the preceding year corresponding quarter mainly due to higher cost of raw materials.

For the six (6) months period ended 30 June 2010, the Group recorded higher revenue of RM79.1 million as compared to the revenue of RM58.9 million recorded in the preceding year corresponding period. This was mainly due to higher sales volume in line with the improvement in demand particularly the domestic demand for the Group's products. In tandem with the higher revenue, the Group recorded higher profit before tax of RM6.1 million as compared to RM5.3 million recorded in the preceding year corresponding period.

B2 Variation of Results against Preceding Quarter

	Current Quarter ended 30.06.2010 RM'000	Preceding Quarter ended 31.03.2010 RM'000	Variance RM'000	%
Revenue	40,729	38,382	2,347	6.1
Profit Before Tax	1,255	4,843	(3,588)	(74.1)

The Group's revenue of RM40.7 million for the current quarter was 6.1% higher than the revenue of RM38.4 million recorded in the preceding quarter mainly due to higher sales volume of the Group's manufactured products. The Group's profit before tax of RM1.2 million for the current quarter however was 74.1% lower than the profit before tax of RM4.8 million recorded in the preceding quarter. This was mainly due to higher cost of raw materials.

B3 Prospects

The Group will continue to innovate and introduce new plastic packaging products for various types of applications in the various sectors in particular the growing industries such as food and beverages and healthcare. With the improvement in demand for the Group's products, the Board is optimistic that the Group will achieve satisfactory financial results for the financial year ending 31 December 2010.

B4 Variance between Actual Profit and Forecast Profit

Not applicable.

B5 Taxation

	Current Quarter 30.06.2010 RM'000	Current Year To Date 30.06.2010 RM'000
Income tax		
Current year	227	772
Prior year	-	-
	227	772
Deferred tax		
Current year	126	88
Prior year	-	(6)
	353	**854**

The effective tax rate of the Group for the current quarter was higher than the statutory tax rate mainly due to higher deferred tax and the effective tax rate of the Group for the current year to date was lower than the statutory tax rate mainly due to availability of tax incentive such as reinvestment allowances for the subsidiaries of the Group.

B6 Unquoted investments and properties

There were no purchases or sale of unquoted investment or properties for the current quarter.

B7 Quoted Investments

There were no purchases or sale of quoted investments for the current quarter.

B8 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of the interim financial statements.

B9 Borrowings and debt Securities

The Group's loans and borrowings as at 30 June 2010 are as follows:-

	RM'000
Current:	
Export credit refinancing	1,329
Finance lease liabilities	106
Onshore foreign currency loan	6,803
Term loans	4,109
	12,347
Non-current:	
Finance lease liabilities	150
Term loans	3,789
	3,939
Total	**16,286**

Included in the Group's loans and borrowings are foreign currency borrowings denominated in USD and JPY of approximately RM10.2 million (comprising approximately USD0.9 million and JPY195 million).

B10 Off Balance Sheet Financial Instruments

There were no unrecognised financial instruments in the balance sheet as at the latest practicable date on 18 August 2010.

B11 Disclosure of derivatives

There were no financial derivatives for current quarter ended 30 June 2010.

Gain or losses arising from fair value changes of financial liabilities

There were no gains or losses arising from fair value changes of the financial liabilities for current quarter ended 30 June 2010.

B12 Material Litigation

As at the date of the interim financial report, there were no material litigations against the Group or taken by the Group except the following:-

Sinliplas Holding Sdn Bhd ("SHSB"), a wholly-owned subsidiary of SLP (Plaintiff) versus Paolo Sandro AG (Defendant)

On 14 December 2006, the Plaintiff via its solicitors, Ong & Manecksha issued a notice of demand to the Defendant claiming for outstanding sum of USD397,082.18 for goods sold. On 5 February 2006, the Defendant paid a sum of USD177,567.03 to the Plaintiff. On 1 November 2007, the Plaintiff via the advice of its solicitors, Ong & Manecksha, appointed Seitz, Weckbach, Fent & Fackler, the solicitors based in Germany to continue with legal proceedings to recover the balance outstanding sum.

The Plaintiff's Solicitors are of the opinion that the Plaintiff is entitled to the payment claimed as the delivery of the Plaintiff's goods to the Defendant was properly executed. Factual and legal defects were not sufficiently substantiated by the Defendant. Ancillary obligations were not violated by the Plaintiff, especially in the context of the delivery. The payment claims therefore exist. The legal situation is to be seen under Malaysian law because the typical performance is to be effected by the producer, i.e. the Plaintiff. Decisive, therefore, is the laws of the headquarters of the Plaintiff, according to Art 28 (2) German Rules of Conflict of Laws. Since Malaysia is not a contracting party of the UN-Sales Convention (CISG), the claims of the Plaintiff are to be decided exclusively under Malaysian law. According thereto the claims of the plaintiff exist. The Defendant is not entitled to any reduction for damages. This is especially so, since under Malaysian Law goods have to be rejected immediately when the defects are first known.

The case has been transferred from the Court in Memingen, Germany to the Court in Traunstein, Germany due to internal court reasons. The Defendant had filed an appearance and the Plaintiff had filed the reply as per solicitor confirmation dated 27 July 2009. The Court hearing in Traunstein, Germany was held on 17 November 2009. Subsequent thereto, the judge raised various questions especially about the production process that the Plaintiff's solicitors had responded in January 2010. The case was heard in June 2010 and it is now awaiting product expert opinion.

Pending the judgement of the above legal case, the Group has made full provision for the above long overdue debts in its audited financial statements for the financial years ended 31 December 2007 and 31 December 2008.

B13 Proposed Dividend

On 25 August 2010, the Board declared an interim single tier dividend of 1.0 sen per ordinary share of RM0.25 each in respect of the financial year ending 31 December 2010 and the said dividend will be paid on 20 October 2010 to shareholders whose names appear on the Company's Record of Depositors on 28 September 2010.

B14 Earnings Per Share

	Individual Quarter		Cumulative Quarters	
	Current Quarter Ended 30.06.2010	**Preceding Year Corresponding Quarter Ended 30.06.2009**	**Current Period Ended 30.06.2010**	**Preceding Year Corresponding Period Ended 30.06.2009**
BASIC EARNINGS PER SHARE				
Profit attributable to ordinary equity holders of the Company (RM)	902	1,184	5,244	4,535
Weighted average number of ordinary shares in issue ('000)	247,333	247,333	247,333	247,333
Basic Earnings per Share (sen)	0.36	0.48#	2.12	1.83#

\# The weighted average number of ordinary shares in issue of the comparative quarter/ preceding year to date has adjusted for the effect of Share Split involving the subdivision of every existing one (1) ordinary share of RM0.50 each into two (2) ordinary shares of RM0.25 each and Bonus Issue involving the issuance of 35,333,333 new ordinary shares on the basis of one (1) Bonus Share for every six (6) Ordinary Shares, which was completed on 26 April 2010.

There was no dilutive earning per share as there was no potential dilutive ordinary share outstanding as at the end of the current period under review.

The weighted average number of shares in issue is calculated as follows:-

	Weighted Average Number of Shares '000
Issued ordinary shares at beginning of year	106,000
Share Split	106,000
Bonus Issue	35,333
	247,333

B15 Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Board.