SLP RESOURCES BERHAD
(660324-H)
(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 third quarter and financial period ended 30 September 2010.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2010

	Note	Individual Quarter (3 months)		Cumulative Quarter (9 months)	
		Current Quarter Ended 30.09.2010 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2009 RM'000	Current Period Ended 30.09.2010 RM'000	Preceding Year Corresponding Period Ended 30.09.2009 RM'000
Revenue	A9	38,973	34,242	118,084	93,122
Operating profit		2,223	2,427	8,429	7,962
Interest income		5	47	68	163
Finance costs		(71)	(98)	(242)	(473)
Profit before tax		2,157	2,376	8,255	7,652
Income tax expenses	B5	(138)	(360)	(992)	(1,100)
Profit for the period		2,019	2,016	7,263	6,552
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		2,019	2,016	7,263	6,552
Profit and total comprehensive income attributable to:					
Equity holders of the Company		2,019	2,016	7,263	6,552
Minority interests		-	-	-	-
Profit for the period		2,019	2,016	7,263	6,552
Earnings per share					
Basic (Sen)	B14	0.82	0.82#	2.94	2.65#
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
(663321-I)
(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2010

	Note	UNAUDITED As at 30.09.2010 RM'000	AUDITED As at 31.12.2009 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		50,456	54,330
Other investment		1,352	1,352
Intangible assets		753	1,000
		52,561	56,682
Current Assets			
Inventories		18,919	16,485
Receivables, deposits and prepayments		29,241	25,145
Current tax assets		265	235
Cash and cash equivalents		6,238	8,620
		54,663	50,485
TOTAL ASSETS		**107,224**	**107,167**
EQUITY AND LIABILITIES			
Equity			
Share capital		61,833	53,000
Reserves		13,068	19,585
Total equity attributable to equity holders of the Company		74,901	72,585
Minority interests		-	-
TOTAL EQUITY		74,901	72,585
Non-current Liabilities			
Loans and borrowings	B9	3,191	5,922
Deferred taxation		6,500	6,350
		9,691	12,272
Current Liabilities			
Payables and accruals		13,754	12,037
Loans and borrowings	B9	6,134	9,978
Current tax liabilities		271	295
Dividend payable		2,473	-
		22,632	22,310
TOTAL LIABILITIES		32,323	34,582
TOTAL EQUITY AND LIABILITIES		**107,224**	**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
(663862-H)
(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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	-	-	-	-	7,263	**7,263**	-	**7,263**
Dividend paid/ payable	-	-	-	-	(4,947)	**(4,947)**	-	**(4,947)**
Balance as at 30 September 2010	61,833	(26,639)	6,707	-	33,000	**74,901**	-	**74,901**
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	-	-	-	-	6,552	**6,552**	-	**6,552**
Dividend paid	-	-	-	-	(4,240)	**(4,240)**	-	**(4,240)**
Balance as at 30 September 2009	53,000	(26,639)	6,707	7,483	31,982	**72,533**	-	**72,533**

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-I)

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

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

	Current Period Ended 30.09.2010 RM'000	Preceding Year Corresponding Period Ended 30.09.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,255	7,652
Adjustments:		
Amortisation and depreciation	4,746	4,689
Interest income	(68)	(163)
Interest expense	243	473
Property, plant and equipment written off	2	-
Gain on disposal of other investment	-	(41)
(Gain)/ Loss on disposal of property, plant and equipment	(25)	1
Operating profit before changes in working capital	**13,153**	**12,611**
Inventories	(2,434)	(1,041)
Receivables	(4,095)	8,826
Payables	1,716	8,439
Cash generated from operations	8,340	28,835
Tax paid	(895)	(381)
Net cash from operating activities	**7,445**	**28,454**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(628)	(1,891)
Proceeds from disposal of property, plant and equipment	25	1
Proceeds from disposal of other investment	-	115
Additions of intangible assets	-	(159)
Interest received	68	163
Net cash used in investing activities	**(535)**	**(1,771)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase/ (decrease) in other borrowings	(2,807)	(20,252)
Repayment of finance lease liabilities	(150)	(171)
Repayment of term loans	(3,619)	(7,061)
Interest paid	(243)	(473)
Dividend paid	(2,473)	(2,120)
Net cash used in financing activities	**(9,292)**	**(30,077)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2,382)	(3,394)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	8,620	14,053
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	**6,238**	**10,659**
Cash and cash equivalents comprise:		
Fixed and short-term deposits with licensed banks	3,800	7,700
Cash and bank balances	2,438	2,959
	6,238	**10.659**

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 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	**As restated**	**As previously reported**
Cost	**RM'000**	**RM'000**
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)

FRS 101 (revised in 2009), which supersedes FRS 101 *Presentation of Financial Statements* (revised in 2005), affects the presentation of owner changes in equity and comprehensive income. It requires an entity to present all owner changes in equity in a statement of changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or two statements (a separate income statement and a statement of comprehensive income). FRS 101 (revised in 2009) also changes the titles of the financial statements to reflect their function more closely, for example, the titles "balance sheet" and "cash flow statement" are renamed as "statement of financial position" and "statement of cash flows" respectively. The Group has elected to present other comprehensive income in one statement.

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

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

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 at 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 30.09.2010 RM'000		Preceding Year Corresponding Quarter Ended 30.09.2009 RM'000	
Countries				
Malaysia	24,430	62.7%	20,418	59.6%
Japan	10,224	26.2%	9,415	27.5%
UK, Germany and Denmark	1,364	3.5%	1,755	5.1%
Australia	1,494	3.8%	1,113	3.3%
Norway	148	0.4%	366	1.1%
Thailand	74	0.2%	-	0.0%
Indonesia	504	1.3%	265	0.8%
Others*	735	1.9%	910	2.6%
Total	**38,973**	**100.0%**	**34,242**	**100.0%**

	Cumulative Quarters (9 months)			
	Current Period Ended 30.09.2010 RM'000		Preceding Year Corresponding Period Ended 30.09.2009 RM'000	
Countries				
Malaysia	75,594	64.0%	54,260	58.3%
Japan	30,294	25.6%	25,846	27.8%
UK, Germany and Denmark	4,677	4.0%	4,750	5.1%
Australia	1,884	1.6%	2,363	2.5%
Norway	1,231	1.1%	2,299	2.4%
Thailand	257	0.2%	142	0.2%
Indonesia	1,419	1.2%	468	0.5%
Others*	2,728	2.3%	2,994	3.2%
Total	**118,084**	**100.0%**	**93,122**	**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 September 2010, of which approximately RM9.3 million was utilised as at 30 September 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 RM5.9 million was outstanding as at 30 September 2010.

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

	As at 30.09.10 Approved and Contracted for RM'000	**As at 30.09.10 Approved and Not Contracted for RM'000**
New machinery	4,416	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2010

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

B1 Review of Performance

For the current quarter ended 30 September 2010, the Group recorded higher revenue of RM39.0 million as compared to the revenue of RM34.2 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 ("PBT") of RM2.2 million in the current quarter was about the same level of PBT of RM2.4 million achieved in the preceding year corresponding quarter. However, PBT margin in the current quarter was slight lower mainly due to higher cost of raw materials.

For the nine (9) months period ended 30 September 2010, the Group recorded higher revenue of RM118.1 million as compared to the revenue of RM93.1 million recorded in the preceding year corresponding period. This was mainly due to higher sales volume in line with the improvement in demand from both the domestic and export markets for the Group's products. In tandem with the higher revenue, the Group recorded higher PBT of RM8.3 million as compared to RM7.7 million recorded in the preceding year corresponding period.

B2 Variation of Results against Preceding Quarter

	Current Quarter ended 30.09.2010 RM'000	Preceding Quarter ended 30.06.2010 RM'000	Variance RM'000	%
Revenue	38,973	40,729	(1,756)	(4.3)
Profit Before Tax	2,157	1,255	902	72.1

The Group recorded relatively stable revenue of RM39.0 million for the current quarter as compared to the revenue of RM38.4 million recorded in the preceding quarter. The Group's PBT of RM2.2 million in the current quarter was higher than the PBT of RM1.3 million recorded in the preceding quarter mainly due to lower costs of raw materials in the current quarter.

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 30.09.2010 RM'000	Current Year To Date 30.09.2010 RM'000
Income tax		
Current year	56	828
Prior year	14	14
	70	842
Deferred tax		
Current year	68	150
Prior year	-	-
	138	**992**

The effective tax rate of the Group for the current quarter was lower than the statutory tax rate due mainly to utilisation of available reinvestment allowances by 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 September 2010 are as follows:-

	RM'000
Current	
Finance lease liabilities	100
Onshore foreign currency loan	2,268
Term loans	3,766
	6,134
Non-current	
Finance lease liabilities	125
Term loans	3,066
	3,191
Total	**9,325**

Included in the Group's loans and borrowings are foreign currency borrowings denominated in USD and JPY of approximately RM6.6 million (comprising approximately USD0.1 million and JPY170 .0 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 November 2010.

B11 Disclosure of derivatives

There were no financial derivatives for current quarter ended 30 September 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 September 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 & Maneckshа 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 & Maneckshа, 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 product expert opinion was subsequently sought after. Based on the expert report, the bags produced by the Plaintiff was confirmed defective and the Defendant is entitled for 50% price deduction. A further court hearing is to be held in Traunstein in due course.

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 was paid on 20 October 2010 to shareholders whose names appeared on the Company's Record of Depositors on 28 September 2010.

B14 Earnings Per Share

	Individual Quarter		Cumulative Quarters	
	Current Quarter Ended 30.09.2010	Preceding Year Corresponding Quarter Ended 30.09.2009	Current Period Ended 30.09.2010	Preceding Year Corresponding Period Ended 30.09.2009
BASIC EARNINGS PER SHARE				
Profit attributable to ordinary equity holders of the Company (RM)	2,019	2,016	7,263	6,552
Weighted average number of ordinary shares in issue ('000)	247,333	247,333	247,333	247,333
Basic Earnings per Share (sen)	0.82	0.82	2.94	2.65

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.