



SLP RESOURCES BERHAD

[663862-H]

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

The Board of SLP Resources Berhad (öSLPö or öthe Companyö) is pleased to announce the following unaudited consolidated results for the third quarter and financial period ended 30 September 2015.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND FINANCIAL PERIOD
ENDED 30 SEPTEMBER 2015**

	Note	3 months ended		9 months ended	
		30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Revenue	A9	42,661	44,160	126,605	134,055
Profit from operations		11,612	4,073	26,263	10,503
Finance income		31	18	85	83
Finance costs		(6)	(22)	(24)	(65)
Profit before tax		11,637	4,069	26,324	10,521
Income tax expense	B5	(2,246)	(935)	(6,067)	(2,345)
Profit for the period		9,391	3,134	20,257	8,176
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		9,391	3,134	20,257	8,176
Profit and total comprehensive income attributable to:					
Owners of the Company		9,391	3,134	20,257	8,176
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		9,391	3,134	20,257	8,176
Earnings per share					
Basic (Sen)	B14	3.80	1.27	8.19	3.31
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 2014 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015**

	Note	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment		53,180	49,070
Other investments		219	219
Intangible assets		22	22
		53,421	49,311
Current Assets			
Inventories		29,581	24,475
Trade and other receivables		38,183	33,101
Current tax assets		-	184
Cash and cash equivalents		24,818	13,387
		92,582	71,147
TOTAL ASSETS		146,003	120,458
EQUITY AND LIABILITIES			
Equity			
Share capital		61,833	61,833
Reserves		48,662	34,588
Total equity attributable to owners of the Company		110,495	96,421
Non-controlling interests		-	-
TOTAL EQUITY		110,495	96,421
Non-current Liabilities			
Loans and borrowings	B9	-	758
Deferred taxation		6,953	5,876
		6,953	6,634
Current Liabilities			
Trade and other payables		19,847	13,277
Derivative financial liabilities		-	670
Loans and borrowings	B9	1,409	2,450
Current tax liabilities		3,589	1,006
Dividend payable		3,710	-
		28,555	17,403
TOTAL LIABILITIES		35,508	24,037
TOTAL EQUITY AND LIABILITIES		146,003	120,458
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		44.7	39.0

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

	←-----Attributable to owners of the Company-----→			
	←Non Distributable Reserve→	Fair Value Reserve	Distributable Retained Earnings	Total
	Share Capital RM'000	RM'000	RM'000	RM'000
At 1 January 2015	61,833	9	34,579	96,421
Total comprehensive income for the period	-	-	20,257	20,257
Dividends	-	-	(6,183)	(6,183)
At 30 September 2015	61,833	9	48,653	110,495
At 1 January 2014	61,833	38	27,370	89,241
Total comprehensive income for the period	-	-	8,176	8,176
Dividend	-	-	(4,947)	(4,947)
At 30 September 2014	61,833	38	30,599	92,470

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 2014 and the accompanying explanatory notes attached to the interim financial statements.



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**CONDENSED CONSOLIDATED CASH FLOWS STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

	Current Period Ended 30.09.2015 RM'000	Preceding Year Corresponding Period Ended 30.09.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	26,324	10,521
Adjustments:		
Depreciation of property, plant and equipment	2,827	3,276
Gain on disposal of plant and equipment	(11)	(68)
Dividend income	(3)	(4)
Finance costs	24	65
Finance income	(85)	(83)
Operating profit before changes in working capital	29,076	13,707
Changes in working capital:		
Inventories	(5,106)	2,977
Trade and other receivables	(5,082)	(5,827)
Trade and other payables	5,900	1,314
Cash generated from operations	24,788	6,217
Income tax paid	(2,223)	(2,637)
Net cash generated from operating activities	22,565	3,580
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	B6 (6,937)	(675)
Proceeds from disposal of plant and equipment	11	68
Dividend received	3	4
Interest received	85	83
Net cash used in investing activities	(6,838)	(520)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net decrease in other bank borrowings	(1,000)	(950)
Repayment of term loans	(799)	(1,032)
Interest paid	(24)	(65)
Dividend paid	(2,473)	(2,473)
Net cash used in financing activities	(4,296)	(889)
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,431	2,158
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	13,387	11,330
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	24,818	9,172
Cash and cash equivalents comprise:		
Short-term deposits with licensed banks	6,600	4,500
Cash and bank balances	18,218	4,672
	24,818	9,172

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 2014 and the accompanying explanatory notes attached to the interim financial statements.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 30 SEPTEMBER 2015

A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (MFRS) 134 : INTERIM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS

A1 Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014, except for the adoption of Amendments and Annual Improvements to Standards effective as of 1 January 2015.

Adoption of Amendments and Annual Improvements to Standards

The Group has adopted the following Amendments and Annual Improvements to Standards with a date of initial application of 1 January 2015.

- Annual improvements to MFRSs 2010-2012 cycle
- Annual improvements to MFRSs 2011-2013 cycle
- Amendments to MFRS 119, Employee Benefits ó Defined Benefit Plans: Employee Contributions

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

Standards issues but not yet effective

At the date of authorization of the Condensed Report, the following Standards, Amendments and Annual Improvements were issued but not yet effective and have not been adopted by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- Amendments to MFRS 5, Non-current Assets Held for Sales and Discontinued Operations (Annual Improvements 2012-2014 Cycle) #
- Amendments to MFRS 7, Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)
- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures ó Sale or Contribution of Assets between an Investor and its Associate or Joint Venture #



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2015**

A2 Changes in Accounting Policies (cont'd)

Standards issues but not yet effective (cont'd)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (cont'd)

- Amendments to MFRS 10, Consolidated Financial Statements, MFRS 12, Disclosure of Interests in Other Entities and MFRS 128, Investments in Associates and Joint Venture ó Investment Entities: Applying the Consolidation Exception #
- Amendments to MFRS 11, Joint Arrangements ó Accounting for Acquisitions of Interests in Joint Operations #
- MFRS 14, Regulatory Deferral Accounts #
- Amendments to MFRS 101, Presentation of Financial Statements ó Disclosure Initiative
- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 138, Intangible Assets ó Clarification of Acceptance Methods of Depreciation and Amortisation
- Amendments to MFRS 116, Property, Plant and Equipment and MFRS 141, Agriculture ó Agriculture: Bearer Plants #
- Amendments to MFRS 119, Employee Benefits (Annual Improvements 2012 ó 2014 Cycle)
- Amendments to MFRS 127, Separate Financial Statements ó Equity Method in Separate Financial Statements
- Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

- MFRS 15, Revenue from Contracts with Customers

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, Financial Instruments (2014)

The initial application of the above mention standards and amendments are not expected to have any material financial impacts to the current and prior periods financial statements of the Group except as the mentioned below:

MFRS 15, Revenue from Contracts with Customers

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 15.

MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities and on hedge accounting.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 30 SEPTEMBER 2015

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 2014 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 and current financial period ended 30 September 2015.

A6 Changes in Estimates

There were no material changes in estimates of amounts 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 Dividends Paid

The following dividend was paid during the current and previous corresponding quarter:

	30.09.2015	30.09.2014
First Interim Single Tier Dividend / Final Dividend for the financial year	31 December 2015	31 December 2013
Approved and declared on	7 August 2015	18 June 2014
Date paid	*	18 July 2014
Number of ordinary shares of RM0.25 each	247,333,333	247,333,333
Dividend per share (single-tier)	1.5 sen	1.0 sen
Net dividend paid	RM3,710,000*	RM2,473,333

* Paid on 8 October 2015

A9 Operating segments

The Group is principally involved in the manufacturing and sale of plastic packaging and its related products and trading of polymer products. Operating segment information has therefore not been prepared as the Group's revenue and operating profit before tax are mainly confined to one operating segment.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 30 SEPTEMBER 2015

A9 Operating segments (Cont'd)

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers as follows:

	3 months ended		9 months ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Malaysia	15,941	23,489	55,469	76,984
Japan	17,684	13,914	48,123	37,668
European countries	2,162	1,272	5,736	3,739
Australia	3,137	3,272	8,851	7,777
Other countries	3,737	2,213	8,426	7,887
Total	42,661	44,160	126,605	134,055

A10 Valuation of Property, Plant and Equipment

There were no valuations of property, plant and equipment during the current quarter.

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 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 RM81 million as at 30 September 2015, of which, approximately RM8.3 million was utilised as at 30 September 2015. The Company has also issued corporate guarantee to a non-financial institution for the supply of goods and services provided to subsidiaries up to limit of RM31.6 million, of which, RM8.8 million was outstanding as at 30 September 2015.

A14 Capital Commitments

There are no material capital commitments as at the date of this report.

A15 Significant related party transactions

There were no transactions entered into between the Group and other related parties during the current quarter under review.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 30 SEPTEMBER 2015

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 2015, the Group recorded slightly lower revenue of RM42.7 million, a decrease of approximately 3.4% from RM44.2 million recorded in preceding year corresponding quarter due mainly to lower volume for domestic sales of plastic packaging and other polymer products. Despite at lower revenue, the Group recorded a significant increase of 186.0% in Profit Before Tax (PBT) to RM11.6 million in the current quarter from RM4.1 million in the preceding year corresponding quarter due mainly to higher sales volume and higher end product mix of the Group's flexible plastic packaging products for export markets. Gains in foreign currency exchange of approximately RM4.0 million had also contributed to the higher PBT in the current quarter.

For the nine (9) months period ended 30 September 2015, the Group recorded slightly lower revenue of RM126.6 million, a decrease of approximately 5.6% from RM134.1 million recorded in preceding year corresponding period due mainly to lower volume for domestic sales of plastic packaging and other polymer products. Despite at lower revenue, the Group recorded a significant increase in PBT to RM26.3 million in the current financial period, representing an increase of approximately 150.2% from RM10.5 million in the preceding year corresponding period. Such a significant growth in PBT was achieved on higher PBT margins in tandem with the Group's proactive strategies in introducing new products range with ultra-thin plastic films and bags for food packaging. The Group's continuous initiatives to further automate its manufacturing processes for greater cost efficiency and higher productivity had also led to profit margins expansion in the current financial period. In addition, gains in foreign currency exchange of approximately RM5.6 million had also contributed to the higher PBT in the current financial period.

B2 Comment on material change in profit before tax

	Current Quarter 30.09.2015 RM'000	Preceding Quarter 30.06.2015 RM'000	Variance RM'000	%
Revenue	42,661	42,516	145	0.3
Profit Before Tax	11,637	8,643	2,994	34.6

The Group recorded relatively stable level of revenue for the current quarter as compared to the revenue in the preceding quarter. Notably, the Group's PBT in the current quarter recorded a significant increase of 34.6% as compared to the preceding quarter due mainly to higher profit contribution from higher export sales as well as gain in foreign currency exchange.

B3 Current year prospects

The Group will remain vigilant especially on the volatility of crude oil and currency, particularly our Ringgit Malaysia which could bring direct impact on the operational costs and profitability of the Group. With the installation of the Group's new extrusion line in October 2015 to boost production capacity and on-going automation in manufacturing processes, the Board is confident that the Group is in a good position to achieve greater operational efficiency and profit margins expansion. Coupled with the encouraging response and demand for the Group's MaxInflax range of products for food packaging and hygienic packaging, the Board is optimistic in delivering satisfactory financial results of the Group for the remaining quarter of the financial year ending 31 December 2015.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2015****B4 Variance between Actual Profit and Forecast Profit**

Not applicable.

B5 Taxation

	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Income tax				
Current year	1,037	633	5,030	2,147
Prior year	(11)	-	(40)	(160)
	<u>1,026</u>	<u>633</u>	<u>4,990</u>	<u>1,987</u>
Deferred tax				
Current year	1,222	302	1,184	391
Prior year	(2)	-	(107)	(33)
	<u>2,246</u>	<u>935</u>	<u>6,067</u>	<u>2,345</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the current quarter and financial year.

The effective tax rates of the Group for the current quarter and current year-to-date were lower than the Malaysia statutory tax rate due mainly to utilisation of reinvestment allowances by a subsidiary of the Group.

B6 Unquoted investments and properties

There were no purchases or sale of unquoted investment or properties for the current quarter. Included in the acquisition of property, plant and equipment is the adjustment to the cost of leasehold land of the Group of RM0.8 million. This adjustment was due to the reduction in the premium for the extension of the leasehold land of the Group from RM5.1 million to RM4.3 million as per the Agreements dated 4 January 2013 and 23 March 2015 signed between the Company's wholly-owned subsidiary, Sinliplas Holding Sdn Bhd (öSHSBö) and Kedah State Development Corporation.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter and the financial period to date.

B8 Status of Corporate Proposals

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



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NOTES TO THE INTERIM FINANCIAL STATEMENTS THIRD QUARTER ENDED 30 SEPTEMBER 2015

B9 Borrowings and debt Securities

The Group's loans and borrowings as at 30 September 2015 are as follows:-

	Payable Within 12 Months RM'000	Payable After 12 Months RM'000	Total RM'000
Term loans	1,409	-	1,409
	1,409	-	1,409

Included in the Group's loans and borrowings are foreign currency borrowings denominated in USD of approximately RM1.4 million (approximately USD 0.3 million).

B10 Derivative financial instruments

There were no forward foreign exchange contracts outstanding as at the end of current quarter to the date of the interim financial report.

B11 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the end of current quarter to the date of the interim financial report.

B12 Material Litigation

There was no pending material litigation against the Group as at the date of this quarterly report.

B13 Proposed Dividend

In tandem with the satisfactory financial results for the nine (9) months period ended 30 September 2015, the Board of Directors has declared a Special Single-Tier interim dividend of 1.5 sen per ordinary share in respect of the financial year ending 31 December 2015. The entitlement date is fixed on 15 December 2015 and payment will be made on 8 January 2016.

B14 Earnings Per Share

	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
BASIC EARNINGS PER SHARE				
Profit attributable to owners of the Company (RM'000)	9,391	3,134	20,257	8,176
Weighted average number of ordinary shares in issue ('000)	247,333	247,333	247,333	247,333
Basic Earnings per Share (sen)	3.80	1.27	8.19	3.31

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

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS
THIRD QUARTER ENDED 30 SEPTEMBER 2015****B15 Disclosure of realised and unrealised profits**

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits or losses, pursuant to the directive, is as follows:

	As at 30.09.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits of the Company and its subsidiaries:-		
Realised	55,493	39,898
Unrealised	(487)	1,036
	55,006	40,934
Less: Consolidation adjustments	(6,353)	(6,355)
Total group retained profits as per consolidated financial statements	48,653	34,579

B16 Notes to the Statement of Comprehensive Income

	3 months ended 30.09.2015 RM'000	9 months ended 30.09.2015 RM'000
Profit from operations for the period/year is arrived at after charging:		
Depreciation and amortisation	967	2,827
Interest expenses	6	24
And after crediting:		
Net foreign exchange gain		
- Realised	1,108	3,129
- Unrealised	2,932	2,485
Gain on derivative	463	670
Gain on disposal of property, plant & equipment	11	11
Interest income	31	85

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B17 Authorisation for issue

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