



SLP RESOURCES BERHAD

[663862+I]

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.9.2017 RM'000	Preceding Year Corresponding Quarter 30.9.2016 RM'000	Current Year-To-Date 30.9.2017 RM'000	Preceding Year Corresponding Period 30.9.2016 RM'000
Revenue	45,855	40,965	135,064	127,800
Profit from operations	5,049	6,914	16,955	20,429
Finance income	391	15	513	57
Finance costs	-	-	-	(5)
Profit before tax	5,440	6,929	17,468	20,481
Tax expense	(725)	(725)	(3,032)	(3,123)
Profit for the period	4,715	6,204	14,436	17,358
Other comprehensive expense, net of tax:				
Fair value of available-for-sale financial assets	-	-	-	-
Foreign currency translation differences	(1,316)	-	(4,406)	-
	(1,316)	-	(4,406)	-
Total comprehensive income for the period attributable to owners of the Company	3,399	6,204	10,030	17,358
Earnings per share				
Basic (Sen)	1.82	2.51	5.56	7.02
Diluted (Sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2016.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

CONDENSED CONSOLIDATED STATEMENTS ON FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

	As at End of Current Quarter 30.9.2017 RM'000	Audited As at End of Preceding Financial Year 31.12.2016 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	59,165	63,303
Other investments	247	254
Intangible assets	22	22
	59,434	63,579
Current Assets		
Inventories	25,665	30,467
Trade and other receivables	40,109	30,568
Derivative financial assets	3	-
Current tax assets	1,050	946
Cash and cash equivalents	73,945	29,069
	140,772	91,050
TOTAL ASSETS	200,206	154,629
EQUITY TO OWNERS OF THE COMPANY		
Share capital	113,680	61,833
Reserves	57,762	69,403
TOTAL EQUITY	171,442	131,236
Non-current Liabilities		
Deferred taxation	6,813	7,065
Current Liabilities		
Trade and other payables	16,204	11,110
Current tax liabilities	993	569
Derivative financial liabilities	-	939
Dividend payable	4,754	3,710
	21,951	16,328
TOTAL LIABILITIES	28,764	23,393
TOTAL EQUITY AND LIABILITIES	200,206	154,629
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)	54.1	53.1

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2016.



SLP RESOURCES BERHAD
[663862-H]
(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2017

<-----Attributable to owners of the Company----->

<----- Non- Distributable -----> **Distributable**

	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2017	61,833	3,127	39	66,237	131,236
Shares issued pursuant to bonus issue	13,207	-	-	(13,207)	-
Shares issued pursuant to private placement	38,640	-	-	-	38,640
Net profit for the period	-	-	-	14,436	14,436
Other comprehensive expense for the period	-	(4,406)	-	-	(4,406)
Total comprehensive income for the period	-	(4,406)	-	14,436	10,030
Dividends	-	-	-	(8,464)	(8,464)
At 30 September 2017	113,680	(1,279)	39	59,002	171,442
At 1 January 2016	61,833	-	45	51,935	113,813
Total comprehensive income for the period	-	-	-	17,358	17,358
Dividends	-	-	-	(7,420)	(7,420)
At 30 September 2016	61,833	-	45	61,873	123,751

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2016.



SLP RESOURCES BERHAD
[663862-H]
(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	PERIOD ENDED	
	30.9.2017	30.9.2016
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,468	20,481
Adjustments:		
Gain on disposal of property, plant and equipment	(77)	-
Depreciation of property, plant and equipment	3,524	2,992
Dividend income	(5)	(3)
Finance costs	-	5
Finance income	(513)	(57)
Reversal of impairment loss on trade receivable	(270)	-
Operating profit before changes in working capital	20,127	23,418
Changes in working capital:		
Inventories	3,701	(218)
Trade and other receivables	(10,111)	1,578
Trade and other payables	4,583	621
Cash generated from operations	18,300	25,399
Income tax paid	(2,734)	(6,309)
Net cash generated from operating activities	15,566	19,090
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(2,493)	(11,089)
Proceed from disposal of property, plant and equipment	77	-
Dividend received	5	3
Interest received	513	57
Net cash used in investing activities	(1,898)	(11,029)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of other bank borrowings	-	(1,180)
Repayment of term loans	-	(931)
Proceed from private placement	38,640	-
Interest paid	-	(5)
Dividends paid	(7,420)	(7,420)
Net cash generated from/(used in) financing activities	31,220	(9,536)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	44,888	(1,475)
Effects of foreign exchange rate differences	(12)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	29,069	26,720
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	73,945	25,245
Cash and cash equivalents included in the consolidated statements of cash flows comprise the following statements of financial position amounts:		
Short-term placements in money market with a licensed bank	43,312	-
Short-term deposits with licensed banks	7,300	-
Cash and bank balances	23,333	25,245
	73,945	25,245

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2016.



SLP RESOURCES BERHAD
(663862-H)
(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A : EXPLANATORY NOTES PURSUANT TO MFRS 134

1 Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting in Malaysia and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2016.

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s consolidated audited financial statements for the financial year ended 31 December 2016, except for the adoption of the following MFRS/ Amendments/Interpretations effective 1 January 2017:

- Amendments to MFRS 12, *Disclosure of Interests in Other Entities*(Annual improvements 2014-2016 Cycle)
- Amendments to MFRS 107, *Disclosures initiative*
- Amendments to MFRS 112, *Recognition of Deferred Tax for Unrealised losses*

The initial application of the abovementioned standards, amendments and interpretations did not have any material impacts to the current and prior periods financial statements upon their first adoption.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) and effective for annual periods beginning on or after 1 January 2018:

- Amendments to MFRS 15, *Clarifications to MFRS 15 (effective from 1 January 2018)*
- MFRS 9, *Financial Instruments (effective from 1 January 2018)*
- MFRS 15, *Revenue from Contracts with Customers (effective 1 January 2018)*
- MFRS 16, *Leases (effective 1 January 2019)*

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9 and MFRS 15.

2 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 2016 were not subject to any qualification.

3 Seasonal or Cyclical Factors

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

4 Unusual Items

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



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

5 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 under review.

6 Changes in Debt and Equity Securities

As at the quarter ended 30 September 2017, a total of 69,626,666 new ordinary shares were issued and allotted pursuant to the Private Placement and Bonus Issue, details of the issued and paid-up capital of the Company as at 30 September 2017 are as follows:

	No. of shares	RM'000
As at 30 June 2017	247,333,333	61,833
Ordinary shares issued pursuant to Private Placement	16,800,000	38,640
Ordinary shares issued pursuant to Bonus Issue	52,826,666	13,207
As at 30 September 2017	316,959,999	113,680

Save for the above, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

7 Dividends Paid

The following dividends were paid during the current and previous corresponding period ended:

	30.9.2017	30.9.2016
First interim dividend		
For the financial year ending/ended	31 December 2017	31 December 2016
Approved and declared on	4 August 2017	5 August 2016
Date paid	**	*
Number of ordinary shares of RM0.25 each	316,959,999	247,333,333
Dividend per share (single-tier)	1.5 sen	1.5 sen
Net dividend paid	RM4,754,400	RM3,710,000
Second interim dividend		
For the financial year ended	31 December 2016	31 December 2015
Approved and declared on	4 November 2016	23 February 2016
Date paid	6 January 2017	8 April 2016
Number of ordinary shares of RM0.25 each	247,333,333	247,333,333
Dividend per share (single-tier)	1.5 sen	1.5 sen
Net dividend paid	RM3,710,000	RM3,710,000



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[663862-H]
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

7 Dividends Paid (cont'd)

	30.9.2017	30.9.2016
Third interim dividend		
For the financial year ended	31 December 2016	-
Approved and declared on	23 February 2017	-
Date paid	7 April 2017	-
Number of ordinary shares of RM0.25 each	247,333,333	-
Dividend per share (single-tier)	1.5 sen	-
Net dividend paid	RM3,710,000	-
Special dividend		
For the financial year ended	-	31 December 2015
Approved and declared on	-	6 November 2015
Date paid	-	8 January 2016
Number of ordinary shares of RM0.25 each	-	247,333,333
Dividend per share (single-tier)	-	1.5 sen
Net dividend paid	-	RM3,710,000

* Paid on 5 October 2016

** Paid on 5 October 2017

8 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.

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

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year		Preceding Year		Current Year-To-		Preceding Year	
	Quarter		Corresponding	Quarter	Date		Corresponding	
	30.9.2017		30.9.2016		30.9.2017		30.9.2016	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	19,346	42%	14,946	37%	55,167	41%	48,464	38%
Japan	17,363	38%	16,969	41%	52,017	39%	51,222	40%
European countries	2,134	5%	2,380	6%	7,629	6%	7,302	6%
Australia	3,463	7%	4,481	11%	10,815	8%	11,815	9%
Other countries	3,549	8%	2,189	5%	9,436	6%	8,997	7%
Total	45,855	100%	40,965	100%	135,064	100%	127,800	100%

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

9 Property, Plant and Equipment

The carrying amount of land and buildings has been brought forward, without amendment from the previous audited financial statements.

a) Acquisitions

During the nine months period ended 30 September 2017, the Group acquired assets with a cost of RM2.5 million (Nine Months period ended 30 September 2016: RM11.1 million).

b) Disposals

During the nine months period ended 30 September 2017, the Group disposed of asset with a carrying amount of RM1 (Nine Months period ended 30 September 2016: RM Nil), resulting in a gain on disposal of RM0.1 million (Nine Months period ended 30 September 2016: RM Nil), which is included as other income in the income statement.

10 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.

11 Changes in the Composition of the Group

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

12 Changes in contingent liabilities or contingent assets

The Company has extended its corporate guarantee to financial institutions for banking facilities granted to its subsidiaries up to limits of RM72.5 million as at 30 September 2017, of which, approximately RM3.9 million was utilised as at 30 September 2017. The Company has also issued corporate guarantee to non-financial institutions for the supply of goods and services provided to subsidiaries up to limit of RM48.9 million, of which, RM8.7 million was utilised as at 30 September 2017.

13 Capital Commitments

As at 30 September 2017, the Group's capital commitments for the purchase of property, plant and equipment were as follows:

	Total RM'000
Approved and contracted for: Plant & Machinery	5,533
	=====



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[663862-H]
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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

13 Capital Commitments (cont'd)

During the nine months period ended 30 September 2017, the Group entered into contracts for the purchase of property, plant and equipment comprising mainly new machinery of RM10.7 million (Nine Months period ended 30 September 2016: RM1.1 million). An advance deposit of RM5.3 million has been paid to the supplier for the purchase of new machinery as at 30 September 2017 (Nine Months period ended 30 September 2016: RM Nil) and this amount of advance deposit is reported in trade and other receivables in the consolidated financial positions of the Group in the current quarter.

14 Significant related party transactions

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



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B : EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A

15 Review of Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.9.2017 RM'000	Preceding Year Corresponding Quarter 30.9.2016 RM'000	Current Year-To-Date 30.9.2017 RM'000	Preceding year corresponding period 30.9.2016 RM'000
Revenue	45,855	40,965	135,064	127,800
Profit Before Tax	5,440	6,929	17,468	20,481
Profit Before Tax Margin	12%	17%	13%	16%

The Group achieved revenue of RM45.8 million for current quarter ended 30 September 2017, a 11.9% increase quarter-on-quarter, following the increase in domestic sales contributed by higher demands for the Group's flexible plastic packaging products from domestic customers as well as from overseas customers in Singapore and New Zealand. However, Profit before tax ("PBT") came in at RM5.4 million, softer by 21.5% against the same quarter last year. This was mainly attributed to the change in sales mix as well as the charging out of one-off corporate exercise expenses of RM0.8 million relating to the private placement and bonus issue undertaken by the Company. In contrast, the Group recorded a net foreign currency exchange gain of RM1.0 million in the same quarter last year. In tandem with lower PBT, the Group recorded a lower PBT margin of 12% in the current quarter when compared to 17% in the same quarter last year.

Revenue for nine months period ended 30 September 2017 increased by 5.7% to RM135.0 million from RM127.8 million recorded in the corresponding period last year. This was mainly contributed by higher sales to domestic market in line with higher demands for flexible plastic packaging products from domestic customers. However, due to changes in sales mix, higher raw material costs brought by higher average prices of plastic resins, the Group recorded a lower PBT of RM17.5 million, a decrease of 14.7% from RM20.5 million in the same period last year. The full nine-month impact of minimum wages which took effect from July 2016 in Malaysia was also the attributing factor to lower PBT in the current period when compared to the three-month impact in the same period last year.

16 Comment on material change in profit before tax

	Current Quarter 30.9.2017 RM'000	Preceding Quarter 30.6.2017 RM'000	Variance	
			RM'000	%
Revenue	45,855	43,225	2,630	6.1%
Profit Before Tax	5,440	5,185	255	4.9%
Profit Before Tax Margin	11.9%	12.0%	-	(0.1%)

Revenue of the Group increased by 6.1% quarter-on-quarter to RM45.8 million, attributable to higher sales volume and demands from both domestic market and overseas market particularly Japanese market when compared with preceding quarter. PBT increased by 4.9% to RM5.4 million but PBT margin declined slightly by 0.1% to 11.9%. The decline in PBT margin was due mainly to expenses of RM0.8 million from the corporate exercise undertaken by the Group and completed during current quarter.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

17 Prospects

For the 9 months period ended 30 September 2017, the Group achieved 5.7% year-on-year growth in revenue, despite having many public holidays typically in the month of September this year. Towards year end, we expect to receive more orders from customers to cater the festive spending habits. Going forward, with our on-going capacity expansion plans, engaging and finalising with brand-owners on new projects, we expect to see further positive growth in revenue. Coupled with new product innovations and continuing production process improvement programs, we aim to deliver better results under head wind environment.

18 Variance between Actual Profit and Forecast Profit

Not applicable.

19 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.9.2017 RM'000	Preceding Year Corresponding Quarter 30.9.2016 RM'000	Current Year-To-Date 30.9.2017 RM'000	Preceding Year Corresponding Period 30.9.2016 RM'000
Income tax				
Current year	799	(36)	3,218	2,497
Prior year	70	617	70	617
	<u>869</u>	<u>581</u>	<u>3,288</u>	<u>3,114</u>
Deferred tax				
Current year	(156)	490	(268)	355
Prior year	12	(346)	12	(346)
	<u>725</u>	<u>725</u>	<u>3,032</u>	<u>3,123</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit. Effective tax rate in the current year quarter and financial year-to-date is lower than the statutory tax rate of 24% due to availability of tax incentive and allowances for the subsidiaries of the Company.

20 Unquoted investments and properties

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

21 Quoted securities

There were no acquisitions or disposals of quoted securities for the current quarter under review and the financial year-to-date.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

22 Status of Corporate Proposals

Except for the following disclosure, there were no corporate proposals announced but not yet completed as at the date of this quarterly report.

On 5 May 2017, RHB Investment Bank Berhad had on behalf of the Board announced that the Company proposed to undertake the following:

- (i) private placement of up to 16,800,000 new shares, representing approximately 6.79% of the total number of issued shares of the Company (“Proposed Private Placement”)
- (ii) bonus issue of up to 52,826,666 Bonus Shares to be credited as fully paid-up on the basis of 1 Bonus Share for every 5 existing shares held (“Proposed Bonus Issue”)

On 31 May 2017, Bursa Malaysia Securities had via its letter dated 31 May 2017 approved the Proposed Private Placement and Proposed Bonus Issue. On 5 July 2017, the shareholders of the Company approved the ordinary resolution on the Propose Bonus Issue as set out in the Notice of Extraordinary General Meeting dated 15 June 2017 by way of polling. On 10 July 2017, RHB Investment Bank had on behalf of the Board announced that the Board had fixed the issue price at RM2.30 per Placement Share. On 19 July 2017, the Company completed the listing and quotation of 16,800,000 new ordinary shares on Bursa Securities pursuant to the Proposed Private Placement.

On 23 August 2017, RHB Investment Bank Berhad had on behalf of the Board announced that the Bonus Issue has been completed following the listing of and quotation for 52,826,666 Bonus Shares on the Main Market of Bursa Securities on the said date.

The status of utilisation of proceeds of RM38,640,000 raised from the Proposed Private Placement by way of issuance of 16,800,000 new ordinary shares at an issue price of RM2.30 per share as at 26 October 2017 are as follows:

Purpose	Proposed utilisation (RM'000)	Actual utilisation (RM'000)	Intended timeframe for utilisation	Balance unutilised	
				RM'000	%
i. Acquisition of 2 units of high performance blown film lines	20,000	5,317	Within 24 months	14,683	73.4%
ii. Construction of a new single storey warehouse	7,000	-	Within 24 months	7,000	100.0%
iii. Working capital	10,840	5,008	Within 12 months	5,832	53.8%
iv. Estimated expenses	800	800	Within 1 month	-	-
	<u>38,640</u>	<u>11,125</u>		<u>27,515</u>	

Note: Any differences in the actual expenses in relation to the Proposed Private Placement shall be adjusted to the allocation for working capital requirements of the Group.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

23 Borrowings and debt Securities

There were no outstanding bank loans and borrowings other than the bank guarantees amounting to RM1.4 million as at 30 September 2017.

24 Derivative financial instruments

Forward foreign exchange contracts are entered into by the Group in currencies other than functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions. In general, the Group's policy is to hedge excess amounts of receivables in foreign currencies after netting off the amounts of payables in the same foreign currencies. As at 30 September 2017, the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:

Derivatives	Contract or Notional Amount RM'000	Fair Value Net gain / (loss) RM'000
Currency forward contract: Less than 1 year	4,222	3

Derivatives financial instrument that are not designated or do not qualify for hedge accounting are categorised as fair value through profit or loss account and measured at their fair value with the gain or loss recognized in the profit or loss account. During the current year quarter ended 30 September 2017, the Group recognised a gain on derivative of RM3,000 arising from fair value changes of financial derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rates. The Group will fund the requirements of these derivatives from its net cash flow from operating activities when payments fall due.

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risk, credit risk, liquidity risk and foreign currency risk. There is no change in the significant policy for mitigating or controlling the interest rate risk, credit risk, liquidity risk and foreign currency risk for the Group nor the related accounting policies for the financial period ended 30 September 2017. Other related information associated with the financial instruments are consistent with the disclosures in the audited financial statements for the financial year ended 31 December 2016.

25 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 this quarterly report.

26 Material Litigation

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

27 Proposed Dividend

Details of the dividends under the single-tier system approved and declared by the Board of Directors is as follows:

	30.9.2017	30.9.2016
Second interim dividend		
Dividend for the financial year ending/ended	31 December 2017	31 December 2016
Approved and declared on	3 November 2017	4 November 2016
Dividend per share	1.5 sen	1.5 sen
Entitlements to dividends based on record of		
Depositors as at	8 December 2017	8 December 2016
Date payable	5 January 2018	6 January 2017

28 Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year-To-Date	Corresponding
	30.9.2017	Quarter	30.9.2017	Period
		30.9.2016		30.9.2016
BASIC EARNINGS PER SHARE				
Profit attributable to owners of the Company (RM'000)	4,715	6,204	14,436	17,358
Weighted average number of ordinary shares in issue ('000)	259,434	247,333	259,434	247,333
Basic Earnings per Share (sen)	1.82	2.51	5.56	7.02

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 quarter under review.

29 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 30.9.2017	As at 31.12.2016
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:-		
Realised	65,232	72,156
Unrealised	172	470
	<hr/> 65,404	<hr/> 72,626
Less: Consolidation adjustments	(6,402)	(6,389)
Total group retained profits as per consolidated financial statements	<hr/> 59,002	<hr/> 66,237



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

NOTES TO THE INTERIM FINANCIAL STATEMENTS

30 Notes to the Statement of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding Year
	Quarter	Corresponding	Year-To-Date	Corresponding
	30.9.2017	Quarter	30.9.2017	Period
	RM'000	30.9.2016	RM'000	30.9.2016
		RM'000	RM'000	RM'000
Profit from operations for the period is arrived at after crediting/(charging) the following items:				
Depreciation and amortisation	(1,144)	(961)	(3,524)	(2,992)
Interest expenses	-	-	-	(5)
Dividend income	3	1	5	3
Finance income	391	15	513	57
Reversal of impairment loss on trade receivable	140	-	270	-
Gain/(loss) on derivative – unrealised	18	(523)	913	15
Net foreign exchange (loss)/gain	(128)	1,506	(978)	(335)
Rental income	-	-	-	13

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

31 Authorisation for issue

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