



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

	Note	INDIVIDUAL QUARTER 3 MONTHS		CUMULATIVE QUARTER 3 MONTHS	
		Current Year Quarter 31.03.2019 RM'000	Preceding Year Corresponding Quarter 31.03.2018 RM'000	Current Period To Date 31.03.2019 RM'000	Preceding Year Corresponding Period 31.03.2018 RM'000
Revenue	8	43,083	44,169	43,083	44,169
Profit from operations		6,061	5,855	6,061	5,855
Finance income		273	433	273	433
Finance costs		-	-	-	-
Profit before tax	15	6,334	6,288	6,334	6,288
Tax expense	19	(1,177)	(1,118)	(1,177)	(1,118)
Profit for the period		5,157	5,170	5,157	5,170
Other comprehensive income / (expense), net of tax:					
Fair value of available-for-sale financial assets		-	-	-	-
Foreign currency translation differences		(1,079)	(3,898)	(1,079)	(3,898)
		(1,079)	(3,898)	(1,079)	(3,898)
Total comprehensive income for the period attributable to owners of the Company		4,078	1,272	4,078	1,272
Earnings per share					
Basic (Sen)	29	1.63	1.63	1.63	1.63
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 2018.**



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**CONDENSED CONSOLIDATED STATEMENTS ON FINANCIAL POSITION AS AT 31 MARCH 2019**

	Note	As at End of Financial Period 31.03.2019 RM'000	Audited As at End of Preceding Financial Year 31.12.2018 RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	9	77,286	79,623
Other investments		186	186
Intangible assets		22	22
		77,494	79,831
<b>Current Assets</b>			
Inventories		35,987	41,537
Trade and other receivables	25	32,771	31,990
Current tax assets		1,463	1,537
Derivative financial assets	24	13	-
Cash and cash equivalents		58,244	54,248
		128,478	129,312
<b>TOTAL ASSETS</b>		<b>205,972</b>	<b>209,143</b>
<b>EQUITY TO OWNERS OF THE COMPANY</b>			
Share capital		113,680	113,680
Reserves		66,931	67,607
<b>TOTAL EQUITY</b>		<b>180,611</b>	<b>181,287</b>
<b>Non-current Liabilities</b>			
Deferred taxation		6,379	6,363
<b>Current Liabilities</b>			
Trade and other payables		13,212	15,747
Current tax liabilities		1,016	992
Dividend payable		4,754	4,754
		18,982	21,493
<b>TOTAL LIABILITIES</b>		<b>25,361</b>	<b>27,856</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>205,972</b>	<b>209,143</b>
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		57.0	57.2

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2018.**



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

<-----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
<b>At 1 January 2019</b>	113,680	(2,491)	(21)	70,119	<b>181,287</b>
Net profit for the period	-	-	-	5,157	<b>5,157</b>
Other comprehensive loss for the period	-	(1,079)	-	-	<b>(1,079)</b>
Total comprehensive income / (loss) for the period	-	(1,079)	-	5,157	<b>4,078</b>
Dividend	-	-	-	(4,754)	<b>(4,754)</b>
<b>At 31 March 2019</b>	113,680	(3,570)	(21)	70,522	180,611
<b>At 1 January 2018</b>	113,680	(4,451)	53	59,024	<b>168,306</b>
Net profit for the period	-	-	-	5,170	<b>5,170</b>
Other comprehensive income / (loss) for the period	-	(3,898)	-	-	<b>(3,898)</b>
Total comprehensive income / (loss) for the period	-	(3,898)	-	5,170	<b>1,272</b>
Dividend	-	-	-	(4,754)	<b>(4,754)</b>
<b>At 31 March 2018</b>	113,680	(8,349)	53	59,440	164,824

**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 2018.**



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

	<b>PERIOD ENDED</b>	
	<b>31.3.2019</b>	<b>31.03.2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	6,334	6,288
Adjustments:		
Depreciation of property, plant and equipment	1,560	1,272
Dividend income	(4)	(3)
Finance income	(273)	(433)
(Allowance) / Reversal of allowance for impairment loss on trade receivables	10	-
Operating profit before changes in working capital	<b>7,627</b>	<b>7,124</b>
Changes in working capital:		
Inventories	5,218	87
Trade and other receivables	(912)	4,412
Trade and other payables	(2,414)	427
Cash generated from operations	9,519	12,050
Income tax paid	(1,079)	(917)
Income tax refunded	-	9
Net cash generated from operating activities	<b>8,440</b>	<b>11,142</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(78)	(5,238)
Dividend received	4	3
Interest received	273	433
Net cash used in investing activities	<b>199</b>	<b>(4,802)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(4,754)	(4,754)
Net cash (used in) / generated from financing activities	<b>(4,754)</b>	<b>(4,754)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,885</b>	<b>1,586</b>
Effects of foreign exchange rate differences	111	(79)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>54,248</b>	<b>64,759</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>58,244</b>	<b>66,266</b>



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 (CONT'D)**

	PERIOD ENDED	
	31.03.2019 RM'000	31.03.2018 RM'000
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 (including Islamic short term placement of RM14.0 million)	27,708	44,404
Short-term deposits with licensed banks	10,150	2,300
Cash and bank balances	20,386	19,562
	<b>58,244</b>	<b>66,266</b>

**The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2018.**



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

## **QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

### **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 2018.

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 2018, except for the adoption of the following MFRS/ Amendments/Interpretations effective 1 January 2019:

- MFRS 16, Leases
- IC Interpretation 23, Uncertainty over Income Tax Treatments
- Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 9, Financial Instruments – Prepayment Features with Negative Compensation
- Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)

The Group has adopted the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January, 2019. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group as mentioned below:

##### **MFRS 16, *Leases***

On the adoption of MFRS 16, Group has assessed the estimated impact that the initial application of MFRS 16. Based on the preliminary assessment, the Group does not expect the application of MFRS 16 to have a significant financial impact on its consolidated financial statements. MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.



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

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019

---

### NOTES TO THE INTERIM FINANCIAL STATEMENTS

#### 1 Basis of preparation (cont'd)

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but not yet effective and have not applied by the Group:

- Amendments to MFRS 3, *Business Combinations – Definition of a Business (effective 1 January 2020)*
- Amendments to MFRS 101, *Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material (effective 1 January 2020)*
- MFRS 17, *Insurance Contracts (effective 1 January 2021)*
- Amendments to MFRS 10 and MFRS 128, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)*

#### 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 2018 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.

#### 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

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**7 Dividends Paid**

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

	<b>31.03.2019</b>	<b>31.03.2018</b>
<b>Second interim dividend</b>		
For the financial year ended	31 December 2018	31 December 2017
Approved and declared on	2 November 2018	3 November 2017
Date paid	4 January 2019	5 January 2018
Number of ordinary shares	316,959,999	316,959,999
Dividend per share (single-tier)	1.5 sen	1.5 sen
Net dividend paid	RM4,754,400	RM4,754,400
<b>Third interim dividend</b>		
For the financial year ended	31 December 2018	31 December 2017
Approved and declared on	22 February 2019	23 February 2018
Date paid	**	*
Number of ordinary shares	316,959,999	316,959,999
Dividend per share (single-tier)	1.5 sen	1.5 sen
Net dividend paid	RM4,754,400	RM4,754,400

\* Paid on 6 April 2018

\*\* Paid on 5 April 2019





**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**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 3 MONTHS				CUMULATIVE QUARTER 3 MONTHS			
	Current Year Quarter 31.03.2019		Preceding Year Corresponding Quarter 31.03.2018		Current Period To Date 31.03.2019		Preceding Year Corresponding Period 31.03.2018	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	16,918	39%	18,112	41%	16,918	39%	18,112	41%
Japan	18,526	43%	17,042	39%	18,526	43%	17,042	39%
European countries	2,203	5%	2,928	7%	2,203	5%	2,928	7%
Australia	2,857	7%	2,534	6%	2,857	7%	2,534	6%
Other countries	2,579	6%	3,553	7%	2,579	6%	3,553	7%
<b>Total</b>	<b>43,083</b>	<b>100%</b>	<b>44,169</b>	<b>100%</b>	<b>43,083</b>	<b>100%</b>	<b>44,169</b>	<b>100%</b>

**9 Valuation of Property, Plant and Equipment**

The valuations of land and building have been brought forward, without amendment from the annual financial statements for the year ended 31 December 2018. There were no valuations of property, plant and equipment during the current quarter under review.

**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 provided corporate guarantees to financial institutions for banking facilities granted to its subsidiaries up to limits of RM56.3 million as at 31 March 2019, of which, approximately RM 2.4 million was utilised as at 31 March 2019. 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 RM40.86 million, of which, RM6.3 million was utilised as at 31 March 2019.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**13 Capital Commitments**

Capital commitments for the purchase of property, plant and equipment as at the end of the current quarter and financial year were as follows:

	<b>Total RM'000</b>
Approved and contracted for:	
Property, plant and machinery	<b>6,300</b>
	<u>=====</u>

**14 Significant related party transactions**

There were no significant transactions entered into between the Group and other related parties during the current year under review except the following:

	<b>Current Year-To-Date RM'000</b>
Sales of plastic films and plastic bags to a company controlled by a Director	<b>367</b>
	<u>=====</u>



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**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**

	<b>INDIVIDUAL QUARTER 3 MONTHS</b>		<b>CUMULATIVE QUARTER 3 MONTHS</b>	
	<b>Current Year Quarter 31.03.2019 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.03.2018 RM'000</b>	<b>Current Period To Date 31.03.2019 RM'000</b>	<b>Preceding Year Corresponding Period 31.03.2018 RM'000</b>
Revenue	43,083	44,169	43,083	44,169
Profit Before Tax	6,334	6,288	6,334	6,288
Profit After Tax	5,157	5,170	5,157	5,170
Profit Before Tax Margin	14.7%	14.2%	14.7%	14.2%
Profit After Tax Margin	12.0%	11.7%	12.0%	11.7%

For the current quarter ended 31 March 2019, the Group recorded revenue of RM43.1 million, a slight decrease of 2.5% from RM44.2 million recorded in the corresponding quarter last year. This was largely due to the decrease in domestic sales of other polymer products such as plastic resins in line with slower demand. The decrease in domestic sales of polymer products was partially offset by the increase in export sales of flexible plastic packaging products particularly to Japan market and hence has resulted in slightly higher Profit Before Tax (“PBT”) and PBT margin of RM6.3 million and 14.7% in the current quarter when compared to the same in the corresponding quarter last year.

**16 Comment on material change in profit before tax**

	<b>Current Quarter 31.03.2019 RM'000</b>	<b>Preceding Quarter 31.12.2018 RM'000</b>	<b>Variance</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	43,083	47,358	(4,275)	(9.0%)
Profit Before Tax	6,334	6,895	(561)	(8.1%)
Profit After Tax	5,157	7,371	(2,214)	(30.0%)
Profit Before Tax Margin	14.7%	14.6%	-	0.1%
Profit After Tax Margin	12.0%	15.6%	-	(3.6%)

The Group recorded lower revenue and PBT of RM43.1 million and RM6.3 million in the current year quarter when compared to the same in the immediate preceding quarter. Lower revenue in the current quarter was due to the decrease in domestic sales of the Group’s polymer products such as plastic resins in line with slower demand. The decrease in domestic sales of polymer products was partially offset by the increase in sales of flexible plastic packaging products and hence resulted in slightly higher PBT margin of 14.7% when compared to the same in the immediate preceding quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**17 Current year prospects**

Although this has been the conventional trends in the past years, FY2019 had begun with relatively sluggish market sentiments where consumers are spending ever more cautiously, especially for local market. Noting that there will be longer festive holidays in Japan in the coming quarter, we are of the view that the markets may not improve or recover as anticipated. Normally busier seasons will come in the second half of the year.

The Group will start to install additional capacities from second quarter this year as planned. This timely expansion and coupled with the efforts of continuous development of new “recyclable” packaging materials in line with sustainable packaging products, would contribute positively to the Group overall performances this year.

**18 Variance between Actual Profit and Forecast Profit**

Not applicable.

**19 Taxation**

	INDIVIDUAL QUARTER 3 MONTHS		CUMULATIVE QUARTER 3 MONTHS	
	Current Year Quarter 31.03.2019 RM'000	Preceding Year Corresponding Quarter 31.03.2018 RM'000	Current Period To Date 31.03.2019 RM'000	Preceding Year Corresponding Period 31.03.2018 RM'000
Income tax				
Current year	1,161	1,346	1,161	1,346
Prior year	-	-	-	-
	<b>1,161</b>	<b>1,346</b>	<b>1,161</b>	<b>1,346</b>
Deferred tax				
Current year	16	(228)	16	(228)
Prior year	-	-	-	-
	<b>1,177</b>	<b>1,118</b>	<b>1,177</b>	<b>1,118</b>

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 incentives 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 FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**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 3 August 2018, the Board approved the variations and extension of time for the utilisation of proceeds of RM38.64 million raised from the private placement exercise and the status of utilisation of the proceeds of as at 26 April 2019 is as follows:

<b>Purpose</b>	<b>Intended utilisation RM'000</b>	<b>Variations RM'000</b>	<b>After the variations RM'000</b>	<b>Actual utilisation RM'000</b>	<b>Balance after the variations RM'000</b>	<b>Intended Time frame for utilisation from 19 July 2017</b>	<b>Extended Timeframe for Utilisation from 19 July 2017</b>
Capital expenditure:							
-Machineries	20,000 <sup>(1)</sup>	7,000 <sup>(3)</sup>	27,000	(20,202)	6,798	Within 24 months	No Change
- Warehouse	7,000 <sup>(2)</sup>	(7,000)	-	-	-	Within 24 months	-
Working capital	10,840	-	10,840	(5,008)	5,832	Within 12 months	Within 24 months
Estimated expenses	800	-	800	(800)	-	Within 1 month	-
<b>Total</b>	<b>38,640</b>	<b>-</b>	<b>38,640</b>	<b>(26,020)</b>	<b>12,630</b>		

*Notes:*

(1) Acquisitions of 2 units of high performance blown film lines with accessories

(2) Construction of a new single storey warehouse with an estimated total build-up of approximately 45,000 square feet

(3) Acquisition of a 10-colour new printing line

**23 Borrowings and debt Securities**

There were no outstanding bank loans and borrowings other than the bank guarantees amounting to RM1.6 million as at 31 March 2019.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**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 31 March 2019 the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:

<b>Derivatives</b>	<b>Contract or Notional Amount RM'000</b>	<b>Fair Value Net gain RM'000</b>
Currency forward contract: Less than 1 year	1,648	13

Derivatives financial instruments 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. 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 31 March 2019. 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 2018.

**25 Trade and other receivables**

	<b>31.03.2019 RM'000</b>	<b>31.12.2018 RM'000</b>
<b>Trade</b>		
Trade receivables (net of impairment)	28,308	26,704
Amount due from a company controlled by a Director	527	405
<b>Non-trade</b>		
Other receivables	1,444	1,597
Deposits	67	59
Prepayments	2,425	3,225
	<b>32,771</b>	<b>31,990</b>

Included in other receivables of the Group are goods and services input tax refund amounting to RM1.2 million (31.12.2018: RM1.2 million).

Included in prepayments of the Group is RM1.7 million and RM Nil million (31.12.2018: RM1.7 million and RM1.3 million) representing advance payments to suppliers for purchases of plant and machinery and raw materials respectively.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**25 Trade and other receivables (cont'd)**

The ageing analysis of the Group's trade receivables (net of impairment) as at 31 March 2019 is as follows:

	<b>RM'000</b>
Not past due	18,044
Past due 0 – 30 days	8,718
Past due 31 – 120 days	2,006
Past due more than 120 days	67
	<u><b>28,835</b></u>

**26 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.

**27 Material Litigation**

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

**28 Proposed Dividend**

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

	<b>31.03.2019</b>
<b>First Interim Dividend</b>	
Dividend for the financial year ending	31 December 2019
Approved and declared on	3 May 2019
Dividend per share	1.0 sen
Entitlements to dividends based on record of	
Depositors as at	12 June 2019
Date payable	5 July 2019



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**29 Earnings Per Share**

	Individual Quarter 3 MONTHS		Cumulative Quarter 3 MONTHS	
	Current Year Quarter 31.03.2019	Preceding Year Corresponding Quarter 31.03.2018	Current Period To Date 31.03.2019	Preceding Year Corresponding Period 31.03.2018
<b>BASIC EARNINGS PER SHARE</b>				
Profit attributable to owners of the Company (RM'000)	5,157	5,170	5,157	5,170
Weighted average number of ordinary shares in issue ('000)	316,960	316,960	316,960	316,960
Basic Earnings per Share (sen)	1.63	1.63	1.63	1.63

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.

**30 Notes to the Statement of Comprehensive Income**

	Individual Quarter 3 MONTHS		Cumulative Quarter 3 MONTHS	
	Current Year Quarter 31.03.2019 RM'000	Preceding Year Corresponding Quarter 31.03.2018 RM'000	Current Period To Date 31.03.2019 RM'000	Preceding Year Corresponding Period 31.03.2018 RM'000
Profit from operations for the year is arrived at after crediting/(charging) the following items:				
Depreciation and amortisation	(1,560)	(1,272)	(1,560)	(1,272)
Dividend income	4	3	4	3
Interest income	273	433	273	433
(Allowance) / Reversal of allowance for impairment loss on trade receivables	(10)	30	(10)	30
Gain / (loss) on derivative – unrealised	13	15	13	15
Net foreign exchange gain / (loss)	(390)	(478)	(390)	(478)

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



**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2019**

---

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**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.