



SLP RESOURCES BERHAD
200401025355 (663862-H)
(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

	Note	INDIVIDUAL QUARTER 3 MONTHS		CUMULATIVE QUARTER 3 MONTHS	
		Current Year Quarter 31.03.22 RM'000	Preceding Year Corresponding Quarter 31.03.21 RM'000	Current Period To Date 31.03.22 RM'000	Preceding Year Corresponding Period 31.03.21 RM'000
Revenue	8	45,517	46,022	45,517	46,022
Profit from operations		5,726	7,769	5,726	7,769
Finance income		83	154	83	154
Finance costs		-	-	-	-
Profit before tax	15	5,809	7,923	5,809	7,923
Tax expense	19	(1,296)	(1,896)	(1,296)	(1,896)
Profit for the period		4,513	6,027	4,513	6,027
Other comprehensive income / (expense), net of tax:					
Fair value of available-for-sale financial assets		-	-	-	-
Foreign currency translation differences		831	2,791	831	2,791
		831	2,791	831	2,791
Total comprehensive income for the period attributable to owners of the Company		5,344	8,818	5,344	8,818
Earnings per share					
Basic (Sen)	29	1.42	1.90	1.42	1.90
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 2021.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

CONDENSED CONSOLIDATED STATEMENTS ON FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	As at End of Current Quarter 31.03.22 RM'000	Audited As at End of Preceding Financial Year 31.12.21 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	20	61,290	61,944
Right-of-use assets		9,440	9,382
Intangible assets		9	9
		70,739	71,335
Current Assets			
Inventories		37,066	35,547
Trade and other receivables	24	33,291	31,334
Current tax assets		484	374
Derivative financial assets	25	-	4
Cash and cash equivalents		78,698	77,153
		149,539	144,412
Assets classified as held for sales	31	869	861
		150,408	145,273
TOTAL ASSETS		221,147	216,608
EQUITY TO OWNERS OF THE COMPANY			
Share capital		113,680	113,680
Reserves		72,220	71,630
TOTAL EQUITY		185,900	185,310
Non-current Liabilities			
Deferred tax liabilities		9,466	9,388
Current Liabilities			
Trade and other payables		20,112	16,729
Current tax liabilities		784	427
Derivative financial liabilities	25	131	-
Dividend payable		4,754	4,754
		25,781	21,910
TOTAL LIABILITIES		35,247	31,298
TOTAL EQUITY AND LIABILITIES		221,147	216,608
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		58.7	58.5

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2021.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	<-----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 2022	113,680	(1,830)	(106)	73,566	185,310
Net profit for the period	-	-	-	4,513	4,513
Other comprehensive income for the period	-	831	-	-	831
Total comprehensive income for the period	-	831	-	4,513	5,344
Dividend	-	-	-	(4,754)	(4,754)
At 31 March 2022	113,680	(999)	(106)	73,325	185,900
At 1 January 2021	113,680	(5,052)	(106)	73,272	181,794
Net profit for the period	-	-	-	6,027	6,027
Other comprehensive income for the period	-	2,791	-	-	2,791
Total comprehensive income for the period	-	2,791	-	6,027	8,818
Dividend	-	-	-	(4,754)	(4,754)
At 31 March 2021	113,680	(2,261)	(106)	74,545	185,858

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 2021.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	Note	PERIOD ENDED	
		31.03.22 RM'000	31.03.21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		5,809	7,923
Adjustments:			
Depreciation of property, plant and equipment		1,524	1,551
Depreciation of right-of-use assets		35	37
Gain on disposal of property, plant and equipment		(10)	(37)
Finance income		(83)	(154)
(Reversal) / Impairment loss on trade receivables		(114)	(6)
Operating profit before changes in working capital		7,161	9,314
Changes in working capital:			
Inventories		(1,374)	5,263
Trade and other receivables		(1,743)	(5,963)
Trade and other payables		3,430	(4,958)
Cash generated from operations		7,474	3,656
Income tax paid		(972)	(1,403)
Net cash generated from operating activities		6,502	2,253
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	20	(394)	(229)
Proceeds from disposal of property, plant and equipment		10	45
Interest received		83	154
Net cash generated from / (used in) investing activities		(301)	(30)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(4,754)	(4,754)
Net cash used in financing activities		(4,754)	(4,754)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS			
		1,447	(2,531)
Effects of foreign exchange rate differences		98	128
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD		77,153	74,369
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD		78,698	71,966

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022 (CONT'D)

	Note	PERIOD ENDED	
		31.03.22 RM'000	31.03.21 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 RM19.1 million (31.03.21: RM18.8 million))		37,597	39,480
Short-term deposits with licensed banks		13,427	7,500
Cash and bank balances		27,674	24,986
		78,698	71,966

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2021.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

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 2021.

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 2021, except for the adoption of the following Amendments effective 1 January 2022:

- Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework
- Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)
- Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018-2020)
- Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract

The Group has adopted the Amendments that are relevant and effective for accounting periods beginning on or after 1 January, 2022. The adoption of these Amendments has not resulted in any material impact on the financial statements of the Group.

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

- Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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 2021 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.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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 year 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.

7 Dividends Paid

A third interim single-tier tax exempt dividend of 1.5 sen per share in respect of financial year ended 31 December 2021 was declared by the Board on 5 November 2021 and subsequently paid on 6 January 2022.

A fourth interim single-tier tax exempt dividend of 1.5 sen per share in respect of financial year ended 31 December 2021 was declared by the Board on 25 February 2022 and subsequently paid on 13 April 2022.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

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		Preceding Year		Current Period To		Preceding Year	
	Quarter		Corresponding		Date		Corresponding	
	31.03.22		31.03.21		31.03.22		31.03.21	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	25,656	56%	25,637	56%	25,656	56%	25,637	56%
Japan	15,894	35%	16,375	36%	15,894	35%	16,375	36%
Australia	1,829	4%	2,131	5%	1,829	4%	2,131	5%
Other countries	2,138	5%	1,879	3%	2,138	5%	1,879	3%
Total	45,517	100%	46,022	100%	45,517	100%	46,022	100%

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 2021. 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. In streamlining the Group's corporate structure, on 16 February 2021, the Company decided to proceed with a voluntary winding up of its wholly owned subsidiary, Sinliplas Sdn Bhd, a dormant subsidiary.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

12 Changes in contingent liabilities or contingent assets

The Company has provided corporate guarantees to financial institutions for banking facilities granted to its subsidiaries collectively up to limits of RM44 million as at 31 March 2022, of which, approximately RM5.7 million of the total banking facilities was utilised as at 31 March 2022. The Company has also issued corporate guarantees to non-financial institutions for the supply of goods and services provided to subsidiaries collectively amounting to RM8.0 million as at 31 March 2022.

13 Capital Commitments

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

	Total RM'000
Approved and contracted for:	
Property, plant and equipment	38
	=====

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:

	Current Year-To-Date RM'000
Sales of plastic films and plastic bags to a company controlled by a Director	97

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

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 3 MONTHS			CUMULATIVE QUARTER 3 MONTHS		
	Current Year Quarter 31.03.22 RM'000	Preceding Year Corresponding Quarter 31.03.21 RM'000	Variance %	Current Period To Date 31.03.22 RM'000	Preceding Year Corresponding Period 31.03.21 RM'000	Variance %
Revenue	45,517	46,022	(1.1%)	45,517	46,022	(1.1%)
Profit Before Tax	5,809	7,923	(26.7%)	5,809	7,923	(26.7%)
Profit After Tax	4,513	6,027	(25.1%)	4,513	6,027	(25.1%)
Profit Before Tax Margin	12.8%	17.2%	(4.4%)	12.8%	17.2%	(4.4%)
Profit After Tax Margin	9.9%	13.1%	(3.2%)	9.9%	13.1%	(3.2%)

For the current quarter ended 31 March 2022, the Group recorded revenue of RM45.5 million, a decrease of 1.1% from RM46.0 million recorded in the corresponding quarter last year. This was due to the decrease in sales of flexible plastic packaging products.

In tandem with lower revenue recorded in the current quarter, the Group posted a lower Profit Before Tax (PBT) of RM5.8 million, a significant decrease of 26.7% or RM2.1 million from RM7.9 million recorded in the corresponding quarter last year. The reduction in PBT was mainly due to the costs hike in almost every aspect of operations, which include materials cost, labour cost and utility cost.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

16 Comment on material change in profit before tax

	Current	Preceding	Variance	
	Quarter	Quarter	RM'000	%
	31.03.22	31.12.2021		
	RM'000	RM'000	RM'000	%
Revenue	45,517	45,233	284	0.6%
Profit Before Tax	5,809	5,230	579	11.1%
Profit After Tax	4,513	3,938	575	14.6%
Profit Before Tax Margin	12.8%	11.6%	-	1.2%
Profit After Tax Margin	9.9%	8.7%	-	1.2%

For the current quarter ended 31 March 2022, the Group recorded higher revenue of RM45.5 million, a slight increase of 0.6% when compared to RM45.2 million recorded in the preceding quarter. This was attributed to the increase in sales of flexible plastic packaging products and favourable average selling price (ASP) recorded during current quarter.

In tandem with the higher revenue achieved, the Group posted higher PBT of RM5.8 million as compared to RM5.2 million recorded in the preceding quarter.

17 Current year prospects

Riding on the relaxing travelling restrictions in the endemic phase regionally, the Group anticipates growth in business potentials and gradual improvement in its financial achievement for 2022. The geopolitical tensions, however, have caused commodity prices to rise. Partial lockdowns in China could potentially prolong the supply-chain interruption. The incremental increase in the minimum wages rate and other inflationary factors in Malaysia may cause near term headwinds which will impact the overall recovery route. Moving forward, the Group will continue to focus on its core strengths to foster growth momentum.

18 Variance between Actual Profit and Forecast Profit

Not applicable.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

19 Taxation

	INDIVIDUAL QUARTER 3 MONTHS		CUMULATIVE QUARTER 3 MONTHS	
	Current Year Quarter 31.03.22 RM'000	Preceding Year Corresponding Quarter 31.03.21 RM'000	Current Period To Date 31.03.22 RM'000	Preceding Year Corresponding Period 31.03.21 RM'000
Income tax				
Current year	1,218	1,479	1,218	1,479
Prior year	-	-	-	-
	1,218	1,479	1,218	1,479
Deferred tax				
Current year	78	417	78	417
Prior year	-	-	-	-
	1,296	1,896	1,296	1,896

Effective tax rate in the current year quarter and financial year-to-date is 24%.

20 Property, plant and equipment

During the financial period ended 31 March 2022, the Group has acquired / disposed the following assets:

	31.03.22	
	Acquisition of assets RM'000	Disposal of assets RM'000
Plant, machinery and factory equipment	373	-
Motor Vehicle	17	-
Office furniture and equipment	4	-
	394	-

21 Unquoted investments and properties

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

22 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 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

23 Borrowings and debt Securities

Other than banker guarantee facilities, there were no outstanding bank loans and borrowings.

24 Trade and other receivables

	31.03.22	31.12.21
	RM'000	RM'000
Trade		
Trade receivables (net of impairment)	29,566	27,864
Amount due from a company controlled by a Director	303	205
Non-trade		
Other receivables	2,643	2,376
Deposits	61	63
Prepayments	718	826
	33,291	31,334

The ageing analysis of the Group's trade receivables as at 31 March 2022 is as follows:

	Gross Carrying Amount RM'000	Loss Allowances (ECL) RM'000	Net Balance RM'000
Not past due	20,220	(14)	20,206
Past due 0 – 30 days	7,877	(6)	7,871
Past due 31 – 120 days	1,793	(1)	1,792
Past due more than 120 days	64	(64)	-
	29,954	(85)	29,869

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

25 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 2022 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 loss RM'000
Currency forward contract: Less than 1 year	25,236	(131)

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 2022. 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 2021.

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.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

28 Proposed Dividend

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

31.03.22

First Interim Dividend

Dividend for the financial year ending	31 December 2022
Declared on	10 May 2022
Dividend per share	1.0 sen
Entitlements to dividends based on record of	
Depositors as at	13 June 2022
Date payable	6 July 2022

29 Earnings Per Share

	Individual Quarter 3 MONTHS		Cumulative Quarter 3 MONTHS	
	Current Year Quarter 31.03.22	Preceding Year Corresponding Quarter 31.03.21	Current Period To Date 31.03.22	Preceding Year Corresponding Period 31.03.21
BASIC EARNINGS PER SHARE				
Profit attributable to owners of the Company (RM'000)	4,513	6,027	4,513	6,027
Weighted average number of ordinary shares in issue ('000)	316,960	316,960	316,960	316,960
Basic Earnings per Share (sen)	1.42	1.90	1.42	1.90

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

30 Notes to the Statement of Comprehensive Income

	Individual Quarter 3 MONTHS		Cumulative Quarter 3 MONTHS	
	Current Year Quarter 31.03.22 RM'000	Preceding Year Corresponding Quarter 31.03.21 RM'000	Current Period To Date 31.03.22 RM'000	Preceding Year Corresponding Period 31.03.21 RM'000
Profit from operations for the year is arrived at after charging the following items:				
Depreciation and amortisation	1,524	1,551	1,524	1,551
Depreciation of right-of-use assets	35	37	35	37
Loss on derivative – unrealised	134	20	134	20
Net foreign exchange loss	-	50	-	50
and after crediting the following items:				
Interest income	83	154	83	154
Gain on disposal of property, plant and equipment	10	37	10	37
Net foreign exchange gain	68	-	68	-
Reversal of impairment loss on trade receivables	114	6	114	6

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 2022

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 Significant Event

On 15 December 2021, the Company via its wholly owned subsidiary, Sinliplas Holding Sdn Bhd (“SHSB”) entered into a Sales and Purchase Agreement (“SPA”) for disposal of leases over a piece of leasehold land held under PM787, Lot 4819 Seksyen 38, Bandar Kulim, Daerah Kulim, Negeri Kedah for a cash consideration of RM6.5 million to Bard Sdn Bhd (“Bard”). This SPA is subject to the relevant consents from the State authorities to be obtained by the Purchaser (which is still pending at the date of this report). Thus, these leases are classified as assets held for sales.

32 Authorisation for issue

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