



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

	Note	INDIVIDUAL QUARTER 3 MONTHS		CUMULATIVE QUARTER 3 MONTHS	
		Current Year Quarter 31.03.24 RM'000	Preceding Year Corresponding Quarter 31.03.23 RM'000	Current Period To Date 31.03.24 RM'000	Preceding Year Corresponding Period 31.03.23 RM'000
Revenue	8	40,798	40,266	40,798	40,266
Profit from operations		5,987	3,543	5,987	3,543
Finance income		514	493	514	493
Finance costs		-	-	-	-
Profit before tax	15	6,501	4,036	6,501	4,036
Tax expense	19	(1,563)	(1,009)	(1,563)	(1,009)
Profit for the period		4,938	3,027	4,938	3,027
Other comprehensive income / (expense), net of tax:					
Fair value of available-for-sale financial assets		-	-	-	-
Foreign currency translation differences		1,742	395	1,742	395
		1,742	395	1,742	395
Total comprehensive income / (expense) for the period attributable to owners of the Company		6,680	3,422	6,680	3,422
Earnings per share					
Basic (Sen)	28	1.56	0.96	1.56	0.96
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 2023.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS ON FINANCIAL POSITION AS AT 31 MARCH 2024

	Note	As at End of Current Quarter 31.03.24 RM'000	Audited As at End of Preceding Financial Year 31.12.23 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	20	56,920	55,852
Right-of-use assets		10,280	10,034
Intangible assets		9	9
Deferred tax assets		-	16
		67,209	65,911
Current Assets			
Inventories		40,769	42,691
Trade and other receivables	24	27,809	26,830
Current tax assets		96	95
Cash and cash equivalents		87,010	84,345
		155,684	153,961
TOTAL ASSETS		222,893	219,872
EQUITY TO OWNERS OF THE COMPANY			
Share capital		113,680	113,680
Reserves		80,135	77,417
TOTAL EQUITY		193,815	191,097
Non-current Liabilities			
Deferred tax liabilities		9,238	9,277
Current Liabilities			
Trade and other payables		14,165	14,623
Current tax liabilities		1,713	913
Dividend payable		3,962	3,962
		19,840	19,498
TOTAL LIABILITIES		29,078	28,775
TOTAL EQUITY AND LIABILITIES		222,893	219,872
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		61.1	60.3

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2023.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	<-----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 2024	113,680	6,051	(106)	71,472	191,097
Net profit for the period	-	-	-	4,938	4,938
Other comprehensive income for the period	-	1,742	-	-	1,742
Total comprehensive income for the period	-	1,742	-	4,938	6,680
Dividend	-	-	-	(3,962)	(3,962)
At 31 March 2024	113,680	7,793	(106)	72,448	193,815
At 1 January 2023	113,680	2,766	(106)	76,713	193,053
Net profit for the period	-	-	-	3,027	3,027
Other comprehensive income for the period	-	395	-	-	395
Total comprehensive income for the period	-	395	-	3,027	3,422
Dividend	-	-	-	(4,754)	(4,754)
At 31 March 2023	113,680	3,161	(106)	74,986	191,721

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 2023.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Note	PERIOD ENDED	
		31.03.24 RM'000	31.03.23 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		6,501	4,036
Adjustments:			
Depreciation of property, plant and equipment		1,569	1,576
Depreciation of right-of-use assets		39	37
Finance income		(514)	(493)
Reversal of impairment loss on trade receivables		(32)	(19)
Operating profit before changes in working capital		7,563	5,137
Changes in working capital:			
Inventories		2,525	4,423
Trade and other receivables		(716)	1,640
Trade and other payables		(1,585)	(6,491)
Cash generated from operations		7,787	4,709
Income tax paid		(786)	(914)
Net cash generated from operating activities		7,001	3,795
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	20	(1,334)	(152)
Interest received		514	493
Net cash (used in) / generated from investing activities		(820)	341
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(3,962)	(4,754)
Net cash used in financing activities		(3,962)	(4,754)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS			
		2,219	(618)
Effects of foreign exchange rate differences		446	91
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD			
		84,345	83,354
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD			
		87,010	82,827

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONT'D)

	Note	PERIOD ENDED	
		31.03.24 RM'000	31.03.23 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 RM20 million (31.03.23: RM19.5 million))		38,973	38,303
Short-term deposits with licensed banks		26,305	25,004
Cash and bank balances		21,732	19,520
		87,010	82,827

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the Financial Year Ended 31 December 2023.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

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 2023.

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 2023, except for the adoption of the following Amendments effective 1 January 2024:

- Amendments to MFRS 16, Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101, Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

The Group has adopted the Amendments that are relevant and effective for accounting periods beginning on or after 1 January, 2024. 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 121, The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

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 2023 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 2024

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 1.25 sen per share in respect of financial year ended 31 December 2023 was declared by the Board on 10 November 2023 and subsequently paid on 5 January 2024.

A fourth interim single-tier tax exempt dividend of 1.25 sen per share in respect of financial year ended 31 December 2023 was declared by the Board on 26 February 2024 and subsequently paid on 5 April 2024.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

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	
	31.03.24		31.03.23		31.03.24		31.03.23	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	23,764	58%	26,587	66%	23,764	58%	26,587	60%
Japan	15,340	38%	11,139	28%	15,340	38%	11,139	28%
Australia	583	1%	1,251	3%	583	1%	1,251	3%
Other countries	1,111	3%	1,289	3%	1,111	3%	1,289	3%
Total	40,798	100%	40,266	100%	40,798	100%	40,266	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 2023. 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.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

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 2024, of which, approximately RM1.9 million of the total banking facilities was utilised as at 31 March 2024. The Company has also issued corporate guarantees to non-financial institutions for the supply of goods and services provided to subsidiaries collectively amounting to RM4.9 million as at 31 March 2024.

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	4,111
	=====

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	686

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

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 31.03.24 RM'000	Preceding Year Corresponding Quarter 31.03.23 RM'000	Variance %	Current Period To Date 31.03.24 RM'000	Preceding Year Corresponding Period 31.03.23 RM'000	Variance %
Revenue	40,798	40,266	1.3%	40,798	40,266	1.3%
Profit Before Tax	6,501	4,036	61.1%	6,501	4,036	61.1%
Profit After Tax	4,938	3,027	63.1%	4,938	3,027	63.1%
Profit Before Tax Margin	15.9%	10.0%	5.9%	15.9%	10.0%	5.9%
Profit After Tax Margin	12.1%	7.5%	4.6%	12.1%	7.5%	4.6%

For the current quarter ended 31 March 2024, the Group recorded revenue of RM40.8 million, a marginal increase of 1.3% from RM40.3 million recorded in the corresponding quarter last year. In tandem with higher revenue recorded, the Group posted a higher Profit Before Tax (“PBT”) of RM6.5 million, increased 61.1% from RM4.0 million recorded in the corresponding quarter last year. The significant increase in PBT was attributable to better product mix and increased production output.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

16 Comment on material change in profit before tax

	Current	Preceding	Variance	
	Quarter	Quarter	RM'000	%
	31.03.24	31.12.23		
	RM'000	RM'000	RM'000	%
Revenue	40,798	42,774	(1,976)	(4.6%)
Profit Before Tax	6,501	1,924	4,577	237.9%
Profit After Tax	4,938	1,426	3,512	246.3%
Profit Before Tax Margin	15.9%	4.5%	-	11.4%
Profit After Tax Margin	12.1%	3.3%	-	8.8%

For the current quarter ended 31 March 2024, the Group recorded a lower revenue of RM40.8 million compared to RM42.8 million recorded in the preceding quarter. The decrease in revenue was attributed to softening demand in local market.

Notwithstanding the lower revenue posted in the current quarter, the Group PBT has however increased by 237.9% to RM6.5 million from RM1.9 million. The reason for this significant increase in PBT has been explained in Note 15 above. In premise of the aforesaid, it is imperative to note that production efficiency has emerged as a key factor in enhancing PBT in the current quarter.

17 Current year prospects

For FY2024, it has been forecasted that the global economy shall remain resilient, with expectation that the Malaysian GDP being projected to grow between 4% to 5% on better domestic demand and external recovery, as projected by the local central bank at the beginning of the year. However, the Group is mindful that on the overall economic ecosystem is still filled with challenges, such as inflationary factors, rising geopolitical tensions and among others. The aforesaid factors may have a suppressive impact on the projected recovery trajectory. The interest cut in the USA may have staggered yet again, and this has caused depreciation of almost all currencies against the greenback in the past months. This will negatively prompt further cost hike for importers.

Hence the Group will continue to adopt a prudent and cautious approach on the outlook development whilst remaining agile and alert in making swift and timely decisions and forming strategies to adapt to an unpredictable and volatile business environment. With a robust and healthy financial fundamentals, we are cautiously optimistic of our financial performances for FY2024.

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 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

19 Taxation

	INDIVIDUAL QUARTER 3 MONTHS		CUMULATIVE QUARTER 3 MONTHS	
	Current Year Quarter 31.03.24 RM'000	Preceding Year Corresponding Quarter 31.03.23 RM'000	Current Period To Date 31.03.24 RM'000	Preceding Year Corresponding Period 31.03.23 RM'000
Income tax				
Current year	1,586	997	1,586	997
Prior year	-	-	-	-
	1,586	997	1,586	997
Deferred tax				
Current year	(23)	12	(23)	12
Prior year	-	-	-	-
	1,563	1,009	1,563	1,009

Effective tax rate in the current year quarter and financial period is 24%.

20 Property, plant and equipment

During the financial period ended 31 March 2024, the Group has acquired / disposed the following assets:

	31.03.24	
	Acquisition of assets RM'000	Disposal/ written of assets RM'000
Plant, machinery and factory equipment	1,309	-
Office furniture and equipment	25	-
	1,334	-

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 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

23 Borrowings and debt Securities

Other than the current bank guarantee facilities, there were no outstanding bank loan(s) or borrowing(s).

24 Trade and other receivables

	31.03.24	31.12.23
	RM'000	RM'000
Trade		
Trade receivables (net of impairment)	23,922	23,839
Amount due from a company controlled by a Director	686	441
Non-trade		
Other receivables	371	679
Deposits	154	171
Prepayments	2,676	1,700
	27,809	26,830

Included in prepayments of the Group is RM1.03 million and RM0.95 million (31.12.2023: RM1.3 million and RM Nil) representing advance payments to suppliers for purchases of plant and machinery and raw materials respectively.

The ageing analysis of the Group's trade receivables as at 31 March 2024 is as follows:

	Gross Carrying	Loss Allowances	Net Balance
	Amount	(ECL)	RM'000
	RM'000	RM'000	RM'000
Not past due	15,902	(19)	15,883
Past due 0 – 30 days	6,851	(7)	6,844
Past due 31 – 120 days	1,739	(1)	1,738
Past due more than 120 days	271	(128)	143
	24,763	(155)	24,608

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 are no 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 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

27 Proposed Dividend

Details of the dividends approved and declared by the Board of Directors are as follows:

31.03.24

First Interim Dividend

Dividend for the financial period ending	31 December 2024
Declared on	3 May 2024
Dividend per share	1.0 sen
Entitlements to dividends based on record of	
Depositors as at	11 June 2024
Date payable	4 July 2024

28 Earnings Per Share

	Individual Quarter 3 MONTHS		Cumulative Quarter 3 MONTHS	
	Current Year Quarter 31.03.24	Preceding Year Corresponding Quarter 31.03.23	Current Period To Date 31.03.24	Preceding Year Corresponding Period 31.03.23
BASIC EARNINGS PER SHARE				
Profit attributable to owners of the Company (RM'000)	4,938	3,027	4,938	3,027
Weighted average number of ordinary shares in issue ('000)	316,960	316,960	316,960	316,960
Basic Earnings per Share (sen)	1.56	0.96	1.56	0.96

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 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS

29 Notes to the Statement of Comprehensive Income

	Individual Quarter 3 MONTHS		Cumulative Quarter 3 MONTHS	
	Current Year Quarter 31.03.24 RM'000	Preceding Year Corresponding Quarter 31.03.23 RM'000	Current Period To Date 31.03.24 RM'000	Preceding Year Corresponding Period 31.03.23 RM'000
Profit from operations for the period is arrived at after charging the following items:				
Depreciation and amortisation	1,569	1,576	1,569	1,576
Depreciation of right-of-use assets	39	37	39	37
Net foreign exchange loss	-	99	-	99
and after crediting the following items:				
Interest income	514	493	514	493
Gain on derivative – unrealised	-	217	-	217
Net foreign exchange gain	168	-	168	-
Reversal of impairment loss on trade receivables	32	19	32	19

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

30 Authorisation for issue

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