



NTPM HOLDINGS BERHAD

(Company No. 384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter (4 th Q)		Cumulative Quarter (12 months)	
	Current Period	Preceding Period	Current Period	Preceding Period
	Quarter	Corresponding	To Date	Corresponding
	30 April 2018	Quarter	30 April 2018	Period
	30 April 2017	30 April 2017	30 April 2017	30 April 2017
	RM'000	RM'000	RM'000	RM'000
Revenue	164,519	159,246	690,928	645,524
Operating profit	5,684	15,024	49,717	76,954
Interest income	157	192	755	564
Interest expense	(2,007)	(1,315)	(6,113)	(5,140)
Profit before tax	3,834	13,901	44,359	72,378
Income tax expense	(2,654)	(4,949)	(14,649)	(22,510)
Profit net of tax	1,180	8,952	29,710	49,868
Profit attributable to:				
Owners of the parent	1,180	8,952	29,710	49,868
Non-controlling interests	-	-	-	-
	1,180	8,952	29,710	49,868
Basic/Diluted earnings per ordinary share (sen)	0.11	0.8	2.6	4.4

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

The accompanying notes are an integral part of this statement.



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INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2018

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (4th Q)		Cumulative Quarter (12 months)	
	Current Period	Preceding Period	Current Period	Preceding Period
	Quarter	Corresponding Quarter	To Date	Corresponding Period
	30 April 2018	30 April 2017	30 April 2018	30 April 2017
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	1,180	8,952	29,710	49,868
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Foreign currency translation	119	281	1,615	1,489
Cash flow hedges	-	-	-	-
Transfer to income statement upon disposal	-	-	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period:</i>				
Remeasurement losses on defined benefit plans	(204)		(204)	
Revaluation of land and buildings	8,576	10,804	8,576	10,804
Total comprehensive income for the period	9,671	20,037	39,697	62,161
Total comprehensive income attributable to:				
Owners of the parent	9,671	20,037	39,697	62,161
Non-controlling interests	-	-	-	-
	9,671	20,037	39,697	62,161

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

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NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter (4th Q)		Cumulative Quarter (12 months)	
	Current Period	Preceding Period	Current Period	Preceding Period
	Quarter	Corresponding	To Date	Corresponding
	30 April 2018	30 April 2017	30 April 2018	30 April 2017
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :				
(a) Interest income	(157)	(192)	(755)	(564)
(b) Other income including investment income	(356)	(386)	(1,369)	(1,520)
(c) Interest expense	2,007	1,315	6,113	5,140
(d) Depreciation and amortisation	5,422	8,377	30,229	32,659
(e) Impairment loss on receivables	(318)	(364)	156	292
(f) Reversal of provision for and write off of inventories	2,514	7	2,514	1
(g) Gain or loss on disposal of quoted or unquoted investments or properties	-	-	-	-
(h) Impairment of assets	2,794	-	2,794	-
(i) Foreign exchange (gain) / loss	1,295	1,518	(688)	2,641
(j) Loss/(Gain) on derivatives	87	(1,020)	54	(250)

The Notes to Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

The accompanying notes are an integral part of this statement.



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**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2018**

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Unaudited) As at 30 April 2018	(Audited) As at 30 April 2017
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	411,458	375,204
LAND USE RIGHTS	20,159	22,449
DEFERRED TAX ASSETS	6,161	620
	<u>437,778</u>	<u>398,273</u>
CURRENT ASSETS		
Inventories	180,882	138,291
Trade receivables	102,859	103,066
Tax receivable	7,953	-
Other receivables	39,615	21,413
Derivative assets	86	141
Cash and bank balances	47,208	65,578
	<u>378,603</u>	<u>328,489</u>
TOTAL ASSETS	<u>816,381</u>	<u>726,762</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
SHARE CAPITAL	112,320	112,320
TREASURY SHARES	(78)	(64)
RESERVES	346,587	333,845
TOTAL EQUITY	<u>458,829</u>	<u>446,101</u>
NON-CURRENT LIABILITIES		
BORROWINGS	61,458	18,637
DEFERRED TAX LIABILITIES	30,852	21,339
RETIREMENT BENEFIT OBLIGATIONS	3,631	3,005
	<u>95,941</u>	<u>42,981</u>
CURRENT LIABILITIES		
Retirement benefit obligations	35	19
Borrowings	158,845	139,402
Trade payables	38,387	36,240
Other payables	62,454	60,971
Tax payable	1,890	1,048
	<u>261,611</u>	<u>237,680</u>
TOTAL LIABILITIES	<u>357,552</u>	<u>280,661</u>
TOTAL EQUITY AND LIABILITIES	<u>816,381</u>	<u>726,762</u>
Net Assets per share (RM)	<u>0.41</u>	<u>0.40</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

The accompanying notes are an integral part of this statement.



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**INTERIM FINANCIAL REPORT
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

Twelve Months Ended 30 April 2018

	← Attributable to owners of the parent →				Non-controlling Interest	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 May 2017	112,320	(64)	59,584	274,261	446,101	-	446,101
Total comprehensive income for the period	-		9,987	29,710	39,697	-	39,697
Transactions with owners :							
Purchase of treasury shares	-	(14)	-	-	(14)	-	(14)
Dividends	-		-	(26,955)	(26,955)	-	(26,955)
Total transactions with owners :	-	(14)	-	(26,955)	(26,969)	-	(26,969)
At 30 April 2018	112,320	(78)	69,571	277,016	458,829	-	458,829

Twelve Months Ended 30 April 2017

	← Attributable to owners of the parent →				Non-controlling Interest	Total Equity	
	Non-distributable		Distributable				
	Share Capital	Treasury Shares	Other Reserves	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 May 2016	112,320	(47)	47,291	251,348	410,912	-	410,912
Total comprehensive income for the period	-	-	12,293	49,868	62,161	-	62,161
Transactions with owners :							
Purchase of treasury shares	-	(17)	-	-	(17)	-	(17)
Dividends	-	-	-	(26,955)	(26,955)	-	(26,955)
Total transactions with owners :	-	(17)	-	(26,955)	(26,972)	-	(26,972)
At 30 April 2017	112,320	(64)	59,584	274,261	446,101	-	446,101

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017

The accompanying notes are an integral part of this statement.



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**INTERIM FINANCIAL REPORT
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(The figures have not been audited)

	12 months ended 30 April 2018 RM'000	12 months ended 30 April 2017 RM'000
OPERATING ACTIVITIES		
Profit before tax	44,359	72,378
Adjustments for:		
Amortisation of land use rights	543	559
Bad debts written off	119	420
Depreciation	29,686	32,100
Interest expense	6,113	5,140
Interest income	(755)	(558)
Inventories written back	2,514	8
Gain on disposal of property, plant and equipment	(13)	(43)
Net fair value loss/ (gain) on derivatives	54	(250)
Plant and equipment written off	103	151
Increase in liability for defined benefit plan	553	393
Impairment loss on loan and receivables	37	(126)
Impairment loss on plant & equipments	2,794	-
Deficit on revaluation	9	2,010
Short term accumulating compensated absences	(4)	132
Unrealised foreign exchange loss	3,459	977
Total adjustments	45,212	40,913
Operating cash flows before changes in working capital	89,571	113,291
Changes in working capital		
(Increase)/ decrease in receivables	(42,198)	4,027
Increase in inventories	(46,799)	(6,095)
Increase/ (decrease) in payable	24,955	(16,083)
Decrease in retirement benefit obligations	(179)	(82)
Total changes in working capital	(64,221)	(18,233)
Cash flows from operations	25,350	95,058
Interest paid	(6,113)	(5,140)
Tax paid	(16,061)	(21,002)
Tax refunded	53	280
Net cash flow generated from operating activities	3,229	69,196
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(66,593)	(24,436)
Interest received	755	558
Proceeds from disposal of plant and equipment	175	264
Net cash used in investing activities	(65,663)	(23,614)
FINANCING ACTIVITIES		
Net change in bank borrowings	90,480	7,597
Repayment of term loans	(18,553)	(53,192)
Drawdown of term loans	-	39,339
Repayment of obligations under finance lease	(200)	(31)
Dividends paid to shareholders	(26,955)	(26,955)
Purchase of treasury shares	(13)	(17)
Net cash generated from/ (used in) financing activities	44,759	(33,259)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(17,675)	12,323
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	65,578	50,999
Effects of exchange rate changes	(695)	2,256
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	47,208	65,578
Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	26,104	37,031
Deposits with licensed banks:		
Fixed deposit	11,187	16,587
Short term placements	9,917	11,960
	47,208	65,578

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 May 2017 RM'000	Cash Flows RM'000	Non- Cash Changes Foreign exchange movement RM'000	Carrying amount as at 30 April 2018 RM'000
Short term borrowings	139,402	27,563	-8,120	158,845
Term Loan	18,637	44,164	-1,343	61,458
Total liabilities from financing activities	158,039	71,727	-9,463	220,303

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 30 April 2017.

The accompanying notes are an integral part of this statement.



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NOTES TO THE INTERIM FINANCIAL REPORT

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). These interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 30 April 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2017.

2. Significant accounting policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 30 April 2017 except for the adoption of the following new MFRSs and Interpretations, and amendments to certain MFRSs and Interpretations with effect from 1 May 2017:

- Amendments to MFRS 107 Disclosures Initiatives 1 January 2017
- Amendments to MFRS 112 Recognition of Deferred Tax for Unrealised Losses
- Annual Improvements to MFRSs 2014 – 2016 (Amendments to MFRS 12 Disclosure of Interests in Other Entities)

Adoption of the above standards and interpretations did not have any material effect on the financial performance or position of the Group, except as disclosed below:

Amendments to MFRS 107: Disclosure Initiative

The amendments require additional disclosure in the financial statements but have no impact on the Group’s financial position or performance.

The standards and interpretations that are issued but not yet effective up to the date of issuance of these condensed consolidated interim financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.



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NOTES TO THE INTERIM FINANCIAL REPORT

Description	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2014–2016 Cycle	
(i) Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018
(ii) Amendments to MFRS 128: Investments in Associates And Joint Ventures	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
IC Interpretation 22: Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 9: Financial Instruments	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018
MFRS 15: Clarification to MFRS 15	1 January 2018
Annual Improvements to MFRS Standards 2015–2017 Cycle	
(i) Amendments to MFRS 3 Business Combinations: Previously Held Interest in a Joint Operation	1 January 2019
(ii) Amendments to MFRS 11 Joint Arrangements: Previously Held Interest in a Joint Operation	1 January 2019
(iii) Amendments to MFRS 112 Income Tax: Income Tax Consequences of Payments on Financial Instruments Classified as Equity	1 January 2019
(iv) Amendments to MFRS 123 Borrowing Costs: Borrowing Costs Eligible for Capitalisation	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
IC Interpretation 23: Uncertainty over Income Tax Treatments	1 January 2019
MFRS 16: Leases	1 January 2019
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	
(i) Amendments to MFRS 2 Share-Based Payment	1 January 2020
(ii) Amendment to MFRS 3 Business Combinations	1 January 2020
(iii) Amendments to MFRS 6 Exploration for and Evaluation of Mineral Resources	1 January 2020
(iv) Amendment to MFRS 14 Regulatory Deferral Accounts	1 January 2020
(v) Amendments to MFRS 101 Presentation of Financial Statements	1 January 2020



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Description	Effective for annual periods beginning on or after
(vi) Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
(vii) Amendments to MFRS 134 Interim Financial Reporting	1 January 2020
(viii) Amendment to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
(ix) Amendment to MFRS 138 Intangible Assets	1 January 2020
(x) Amendment to IC Interpretation 12 Service Concession Arrangements	1 January 2020
(xi) Amendment to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
(xii) Amendment to IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2020
(xiii) Amendment to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2020
(xiv) Amendments to IC Interpretation 132 Intangible Assets—Web Site Costs	1 January 2020
MFRS 17 Insurance Contracts	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

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application other than for MFRS 9 Financial Instruments, MFRS 15 Revenue from Contracts with Customers, and MFRS16 leases. The Group is still in the progress of assessing the financial impact of MFRS 9 Financial Instruments, MFRS 15 Revenue from Contracts with Customers, and MFRS16 leases.

3. Significant Accounting Estimates And Judgements

(a) Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognised in the financial statements.

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the operating date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.



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(i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and unused reinvestment allowance to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and reinvestment allowance can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of unrecognised tax losses and capital allowances of the Group was RM65.6 million (30.4.2017: RM71.9 million).

(ii) Depreciation of plant and equipment

The cost of paper making machinery is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Impairment of property, plant and equipment

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Impairment exists when the carrying amount of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its value in use and its fair value less cost of disposal.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

(iv) Customer rebates

The Group had recognised provision for sales rebate according to the contractual arrangements entered into with its customers. Estimating the provision for sales rebate requires the Group to make an estimate based on historical experiences, contractual arrangement and on the claims expected to be made by customers. The Group assessed the provisions at each reporting date and adjusted to reflect the current best estimate. Where it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision for sales rebate is reversed.



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NOTES TO THE INTERIM FINANCIAL REPORT

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 April 2017 was not subject to any audit qualification.

5. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors during the financial period under review.

6. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial year except for the revaluation of land & buildings which were carried out by independent qualified valuers on 30 April 2018 which has resulted in the credit of net revaluation surplus amounting to RM8.58 million to Revaluation Reserves while deficit on the revaluation of certain properties amounting to RM0.09 million has been debited to the Income Statement.

7. Changes in estimates

There were no material changes in estimates of amount reported in prior interim period or financial period that have a material effect in the current year.

8. Debt and equity securities

There was no issuance or repayment of debt and equity securities, share buy-backs and share cancellations for the current financial period except for the following:

During the financial period, the Company had repurchased a total of 20,000 ordinary shares of RM0.10 each of its issued share capital from the open market for a total consideration (inclusive of transaction cost) of RM13,218 at an average cost of RM0.78 per share.

The repurchase transactions were financed by internally generated fund. The repurchased shares are held as treasury shares in accordance with the requirements of Section 127 of the Companies Act, 2016. As at 30 April 2018, the total number of treasury shares held were 100,000 or 0.009% of the total paid up share capital of the Company.

9. Dividend paid

The single tier final dividend of 0.80 sen per ordinary share in respect of the financial year ended 30 April 2017 amounting to RM8,984,960 was paid on 17 October 2017.



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The single tier first interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 30 April 2018 amounting to RM8,984,880 was paid on 23 October 2017.

A single tier interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 30 April 2018 amounting to RM8,984,800 was paid on 23 April 2018

The total net dividend per share paid to date for the current financial year is 2.40 sen (2017: 2.40 sen).

10. Segment information

Segment information is presented in respect of the Group's two core products based operating segments.

Segment information for the period ended 30 April 2018 are as follows:

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	486,236	204,692	690,928
Segment profit	27,114	17,245	44,359
Included in the measure of segment profit are			
- depreciation and amortisation	21,474	8,755	30,229
- non-cash expenses other than depreciation and amortisation	7,376	241	9,617
Segment assets	661,944	154,437	816,381
Included in the measure of segment assets is			
- capital expenditure	62,120	4,473	66,593

Segment information for the period ended 30 April 2017 are as follows:

	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	445,639	199,885	645,524
Segment profit	53,197	19,181	72,378



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	Paper products RM'000	Personal Care Products RM'000	Consolidated RM'000
Included in the measure of segment profit are			
- depreciation and amortisation	24,041	8,618	32,659
- non-cash expenses other than depreciation and amortisation	3,194	478	3,672
Segment assets	564,665	162,097	726,762
Included in the measure of segment assets is			
- capital expenditure	20,971	4,077	25,048

11. Valuation of property, plant and equipment

The carrying value of land and building is based on the latest valuation performed on 30 April 2018 by independent qualified valuers.

During the period, the acquisition and disposal of property, plant and equipment amounted to RM66.6 million and RM0.2 million respectively.

12. Significant and subsequent events to the balance sheet date

There were no significant material and subsequent events at the end of the financial period ended 31 January 2018 that have not been reflected in the interim financial statements as at the date of this report.

13. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the current financial quarter and financial period to date.

14. Changes in corporate guarantees, contingent liabilities or contingent assets

The corporate guarantees of the Company are as follows:

	As at 30.04.2018 RM'000	As at 30.04.2017 RM'000
(a) Corporate guarantees given to banks as securities for credit facilities granted to certain subsidiaries	<u>220,303</u>	<u>158,039</u>



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NOTES TO THE INTERIM FINANCIAL REPORT

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

15. Review of performance

	Individual quarter ended		Cumulative period ended	
	30.04.2018	30.04.2017	30.04.2018	30.04.2017
	RM'000	RM'000	RM'000	RM'000
Revenue				
Paper Products	121,676	108,323	486,236	445,639
Personal Care Products	42,843	50,923	204,692	199,885
Group	164,519	159,246	690,928	645,524
Profit before tax				
Paper Products	(610)	8,023	27,114	53,197
Personal Care Products	4,444	5,878	17,245	19,181
Group	3,834	13,901	44,359	72,378

Group

Group revenue for the period ended 30 April 2018 was RM691 million compared with RM646 million for the period ended 30 April 2017, an increase of 7.1%. The increase in revenue was mainly due to the increase in sales of Tissue and Personal Care Products, especially Personal Care products. The Group's profit before taxation for the period ended 30 April 2018 was RM44.4 million, a decrease of 38.7% over RM72.4 million registered in the previous financial period ended 30 April 2017. The decrease in profit before taxation was mainly due to the higher raw material cost.

Paper Products segment

Revenue from the paper products segment for the period ended 30 April 2018 was RM486 million compared with RM446 million for the financial period ended 30 April 2017, an increase of 9.2%. Profit before taxation in the paper products segment for the period ended 30 April 2018 was RM27.1 million, a decrease of 49% over RM53.2 million registered in the previous financial period. The decrease in profit before taxation was mainly due to higher raw material cost in the current financial period.



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Personal Care Products segment

Revenue from the personal care products segment for the period ended 30 April 2018 was RM204.7 million compared with RM199.9 million recorded in the previous year corresponding period, an increase of 2.4%. Profit before taxation in the personal care products segment for the period ended 30 April 2018 was RM17.2 million, decrease of 10.1% over RM19.2 million registered in the corresponding period of the previous financial year. The decrease in profit before taxation was mainly due to higher raw material cost in the current financial period.

16. Comparison with immediate preceding quarter's results

	Individual quarter ended		Variance	
	30.04.2018	30.1.2018	RM'000	%
	RM'000	RM'000		
Revenue	164,519	180,989	(16,470)	(9.1)
Profit before tax	3,834	12,702	(8,868)	(69.8)

Revenue for the quarter ended 30 April 2018 decreased by RM16.5 million or 9.1% while profit before taxation decreased by RM8.9 million or 69.8% for the current quarter as compared to the preceding quarter. The decrease in profit before taxation was mainly attributable to lower revenue and margin deterioration as a result of higher raw material cost and impairment of machinery recorded in the current financial quarter.

17. Prospects

In general, Malaysia's economy recorded a growth of 5.4% in March quarter of 2018, compared to a 5.9 percent growth in December 2017. Most economists expect growth would remain subdued with household consumption expected to be ease, relative to 2016. This is despite the fact that the previous quarter of 2017 saw a better export performance, partly attributable to seasonality and the weak ringgit effect, and a healthy pace of industrial production growth. The economy is expected to face headwinds this year, arising from the higher cost driven inflation, spillover effects of the ringgit's depreciation on imported goods and services and weak consumer sentiment.

In light of these challenges, the Group has strategic plans and control measures put in place to mitigate the impact from these adverse conditions. In addition to the price increase to its products, several cost-savings projects have been identified and approved to improve the Group's operational efficiency and keep a tight rein on costs to drive down waste and inefficiencies across the group's business units. We are looking into ways to strengthen our



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customer base and improve our distribution channel. The Group is also looking at developing new products and opportunity to venture into new business segments if the expansion synergizes with the Group's current business model. With this in place, the Board is cautiously optimistic about its prospect.

18. Variance of actual profit from profit forecast

Not applicable.

19. Taxation

	Current Quarter 3 months ended 30 April 2018 RM'000	Year-to-date 12 months ended 30 April 2018 RM'000
Income tax		
Current year	1,243	11,944
Prior year	<u>(120)</u>	<u>(931)</u>
	1,123	11,013
Deferred tax		
Current year	1,521	3,649
Prior year	<u>10</u>	<u>(13)</u>
	<u>2,654</u>	<u>14,649</u>

The Group's effective tax rate for the current quarter/period to date is higher than the statutory tax rate principally due to the deferred tax assets not recognised on unutilized tax loss and capital allowance for some of the subsidiaries of the companies.

20. Status on corporate proposals

There were no significant corporate proposals for the current financial period to date.



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21. Group borrowings

	30 April 2018
	RM'000
Non-current	
Unsecured	
Long term loans	61,305
Secured	
Hire purchase and finance Lease	153
	<u>61,458</u>
Current	
Unsecured	
Bankers' acceptance	8,074
Revolving Credit (RC)	115,621
Term loans	34,934
Secured	
Hire purchase and finance Lease	216
	<u>158,845</u>

The borrowings are denominated in the following currencies:

	30 April 2018			
	RM'000			
	Ringgit Malaysia	Singapore Dollar	US Dollar	Total
Bankers' acceptance	8,074	-	-	8,074
Revolving Credit ("RC")	26,000	-	89,621	115,621
Term Loans	76,661	-	19,578	96,239
Hire Purchase	-	369	-	369
	<u>110,735</u>	<u>369</u>	<u>119,196</u>	<u>220,303</u>

NTPM (Singapore) Pte Ltd ("NSPL") has breached the covenant of the term loan and revolving credit as did not fulfil the requirements to maintain a minimum debt service cover of not less than 1.05. The balance of the term loan and revolving credit has been presented under current liabilities as at 30 April 2018. The bank has the absolute discretion to revise or recall banking facilities in the event of breach of covenant.

22. Derivatives financial instruments

Forward foreign exchange contracts are entered into by the Group in currencies other than their functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.



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As at 30 April 2018, the Group's open forward contracts entered into as hedges of anticipated future transactions are as follows:

Type of Derivatives	Contract Amount RM'000	Fair Value RM'000
<u>Non-Hedging Derivatives</u>		
<u>Bank Buy</u>		
Singapore Dollar		
- Less than 1 year	12,184	12,098

Derivatives financial instruments that are not designated or do not qualify for hedge accounting are categorised as fair value through profit or loss and measured at their fair value with the gain or loss recognized in the profit or loss. During the current financial quarter and financial period ended 30 April 2018, the Group recognised a gain on derivative of RM87,000 and RM54,000 respectively arising from fair value changes of financial derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

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 April 2018. Other related information associated with the financial instruments are consistent with the disclosures in the audited financial statements for the financial year ended 30 April 2017.

23. Material litigation

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

24. Dividend

The single tier interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 30 April 2018 amounting to RM8,984,880 was paid on 23 October 2017.

A single tier interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 30 April 2018 amounting to RM8,984,800 was paid on 23 April 2018.



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At the forthcoming Annual General Meeting, a single tier final dividend of 0.80sen per ordinary share in respect of the financial year ended 30 April 2018 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect the proposed dividend. Such dividend, if approved by the shareholders will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 April 2019.

The total net dividend per share declared to date for the current financial year is 2.40 sen (2017: 2.40 sen)

25. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the quarter/period by the weighted average number of ordinary shares during the financial quarter/period.

	3 Months Period Ended		12 Months Period Ended	
	30 April		30 April	
	2018	2017	2018	2017
Net profit attributable to shareholders (RM'000)	(1,180)	8,952	29,731	49,868
Weighted average number of ordinary shares in issue ('000)	1,123,106	1,123,125	1,123,156	1,123,133
Basic earnings per share (sen)	0.11	0.8	2.6	4.4

By Order of the Board

Company Secretary

DATED THIS 25th June, 2018