



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	First Quarter Ended 31 July 2021	First Quarter Ended 31 July 2020	3 Months Ended 31 July 2021	3 Months Ended 31 July 2020
	RM'000	RM'000	RM'000	RM'000
Revenue	173,762	179,290	173,762	179,290
Operating profit	21,337	22,223	21,337	22,223
Interest income	46	46	46	46
Interest expense	(1,784)	(2,885)	(1,784)	(2,885)
Profit before tax	19,599	19,384	19,599	19,384
Income tax expense	(3,810)	(4,740)	(3,810)	(4,740)
Profit net of tax	15,789	14,644	15,789	14,644
Profit attributable to:				
Owners of the parent	15,789	14,644	15,789	14,644
Non-controlling interests	-	-	-	-
	15,789	14,644	15,789	14,644
Basic/Diluted earnings per ordinary share (sen)	1.4	1.3	1.4	1.3

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 April 2021.

The accompanying notes are an integral part of this statement.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	First Quarter Ended 31 July 2021	First Quarter Ended 31 July 2020	3 Months Ended 31 July 2021	3 Months Ended 31 July 2020
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	15,789	14,644	15,789	14,644
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>				
Foreign currency translation	(3,059)	893	(3,059)	893
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				
Revaluation of land and buildings				
Total comprehensive income for the period	12,730	15,537	12,730	15,537
Total comprehensive income attributable to:				
Owners of the parent	12,730	15,537	12,730	15,537
Non-controlling interests	-	-	-	-
	12,730	15,537	12,730	15,537

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 April 2021.

The accompanying notes are an integral part of this statement.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	First Quarter Ended	First Quarter Ended	3 Months Ended	3 Months Ended
	31 July 2021	31 July 2020	31 July 2021	31 July 2020
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting) :				
(a) Interest income	(46)	(46)	(46)	(46)
(b) Other income including investment income	(451)	(944)	(451)	(944)
(c) Interest expense	1,784	2,885	1,784	2,885
(d) Depreciation	12,048	12,652	12,048	12,652
(e) Impairment loss on receivables	150	150	150	150
(f) Foreign exchange gain	(8,047)	(1,978)	(8,047)	(1,978)
(g) Loss/ (gain) on derivatives	17	(125)	17	(125)

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 2021.

The accompanying notes are an integral part of this statement.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Unaudited) As at 31 July 2021	(Audited) As at 30 April 2021
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	556,103	554,148
RIGHT OF USE	37,744	37,656
DEFERRED TAX ASSETS	996	870
	594,843	592,674
CURRENT ASSETS		
Inventories	203,073	204,125
Trade receivables	100,645	103,134
Tax receivable	6,259	7,997
Other receivables	38,515	31,441
Cash and bank balances	37,787	51,483
	386,279	398,180
TOTAL ASSETS	981,122	990,854
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
SHARE CAPITAL	112,320	112,320
TREASURY SHARES	(109)	(109)
RESERVES	392,942	380,212
TOTAL EQUITY	505,153	492,423
NON-CURRENT LIABILITIES		
BORROWINGS	43,915	47,053
DEFERRED TAX LIABILITIES	19,819	21,547
LEASE LIABILITIES	1,983	1,972
RETIREMENT BENEFIT OBLIGATIONS	13,109	12,786
	78,826	83,358
CURRENT LIABILITIES		
Retirement benefit obligations	742	742
Borrowings	299,989	298,054
Lease liabilities	1,771	1,810
Trade payables	28,764	32,591
Other payables	64,487	79,228
Tax payable	1,302	2,577
Derivative liabilities	88	71
	397,143	415,073
TOTAL LIABILITIES	475,969	498,431
TOTAL EQUITY AND LIABILITIES	981,122	990,854
 Net Assets per share (RM)	 0.45	 0.44

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 April 2021.

The accompanying notes are an integral part of this statement.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662 U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(The figures have not been audited)

Three Months Ended 31 July 2021

	← 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 2021	112,320	(109)	88,119	292,093	492,423	-	492,423
Total comprehensive income for the period	-	-	(3,059)	15,789	12,730	-	12,730
At 31 July 2021	112,320	(109)	85,060	307,882	505,153	-	505,153

Three Months Ended 31 July 2020

	← 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 2020	112,320	(109)	77,728	255,654	445,593	-	445,593
Total comprehensive income for the period	-	-	893	14,644	15,537	-	15,537
At 31 July 2020	112,320	(109)	78,621	270,298	461,130	-	461,130

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 April 2021

The accompanying notes are an integral part of this statement.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662 U)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021**

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(The figures have not been audited)

	3 months ended 31 July 2021 RM'000	3 months ended 31 July 2020 RM'000
OPERATING ACTIVITIES		
Profit before tax	19,599	19,384
Adjustments for:		
Depreciation	11,062	11,970
Depreciation- Right of Use Assets	986	682
Interest expense	1,743	2,824
Interest expense- Lease	41	61
Interest income	(46)	(46)
Gain on disposal of property, plant and equipment	(7)	(22)
Net fair value loss/ (gain) on derivatives	17	(125)
Plant and equipment written off	21	-
Increase in liability for defined benefit plan	264	166
Impairment loss on loan and receivables	150	150
Unrealised foreign exchange gain	(8,041)	(2,798)
Total adjustments	6,190	12,862
Operating cash flows before changes in working capital	25,789	32,246
Changes in working capital		
Decrease in receivables	3,264	12,282
Decrease in inventories	2,181	1,839
Decrease in payable	(22,036)	(24,214)
Increase/ (decrease) in retirement benefit obligations	60	(47)
Total changes in working capital	(16,531)	(10,140)
Cash flows generated from operations	9,258	22,106
Interest paid	(1,743)	(2,824)
Tax paid	(5,215)	(2,951)
Net cash flow generated from operating activities	2,300	16,331
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,727)	(7,905)
Interest received	46	46
Proceeds from disposal of plant and equipment	8	53
Net cash used in investing activities	(8,673)	(7,806)
FINANCING ACTIVITIES		
Net change in bank borrowings	(6,444)	(20,405)
Payment of lease liabilities	(643)	(583)
Net cash generated from/ (used in) financing activities	(7,087)	(20,988)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13,460)	(12,463)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL QUARTER	51,483	48,773
Effects of exchange rate changes	(236)	253
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL QUARTER	37,787	36,563
Cash and cash equivalents in the condensed consolidated statements of cash flow comprise:		
Cash on hand and at banks	15,709	12,791
Deposits with licensed banks:		
Fixed deposit	11,573	14,708
Short term placements	10,505	9,064
	37,787	36,563

Reconciliation of liabilities arising from financing activities:

	Carrying amount as at 1 May 2021 RM'000	Cash Flows RM'000	Others RM'000	Foreign exchange movement RM'000	Carrying amount as at 31 July 2021 RM'000
Loan and borrowing	345,107	(6,444)	-	5,241	343,904
Lease liabilities	3,782	(643)	567	48	3,754
Total liabilities from financing activities	348,889	(7,087)	567	5,289	347,658

The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 30 April 2021.

The accompanying notes are an integral part of this statement.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

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 2021. 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 2021.

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 2021. The Group had adopted the following Amendments to Standards:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2
- Amendment to MFRS 16 Leases: COVID-19-Related Rent Concessions

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 intends to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRS Standards 2018–2020”	1 January 2022
Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment—Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts—Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 4 Insurance Contracts: Extension of the Temporary Exemption from Applying MFRS 9	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

NOTES TO THE INTERIM FINANCIAL REPORT

2. Significant Accounting Policies (Cont'd)

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 intends to adopt these standards, if applicable, when they become effective. (cont'd)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
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.

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.

(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 as at 31 July 2021 was RM129.3 million (30 April 2021: RM128.6 million).



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

NOTES TO THE INTERIM FINANCIAL REPORT

3. Significant Accounting Estimates and Judgements (Cont'd)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(ii) 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.

(iii) 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 assesses the provisions at each reporting date and adjusts 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.

4. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 April 2021 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 quarter ended 31 July 2021.

6. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter ended 31 July 2021.

**NTPM HOLDINGS BERHAD**Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021****NOTES TO THE INTERIM FINANCIAL REPORT****7. Changes in Estimates**

There were no material changes in estimates of amount reported in prior financial quarter that have a material effect in the current financial quarter ended 31 July 2021.

There was no issuance or repayment of debt and equity securities, share buy-backs and share cancellations for the current financial quarter ended 31 July 2021.

8. Dividend Paid

There were no dividends paid during the financial quarter ended 31 July 2021.

9. Segment information

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

Segment information for the current financial quarter ended 31 July 2021 are as follows:

	Tissue Paper Products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	120,755	53,007	173,762
Result			
Segment results	11,896	9,441	21,337
Interest income	43	3	46
Operating profit	11,939	9,444	21,383
Finance costs	(1,445)	(339)	(1,784)
Segment profit	10,494	9,105	19,599
Included in the measure of segment profit are			
- depreciation	9,977	2,071	12,048
- non-cash expenses other than depreciation and amortisation	(7,549)	(49)	(7,598)
Segment assets	837,321	143,801	981,122
Included in the measure of segment assets is			
- capital expenditure	8,896	357	9,253

**NTPM HOLDINGS BERHAD**Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021****NOTES TO THE INTERIM FINANCIAL REPORT****9. Segment information (Cont'd)**

Segment information for the financial quarter ended 31 July 2020 are as follows:

	Tissue Paper Products RM'000	Personal Care Products RM'000	Consolidated RM'000
Revenue			
Revenue from external customers	128,023	51,267	179,290
Result			
Segment results	11,794	10,429	22,223
Interest income	33	13	46
Operating profit	11,827	10,442	22,269
Finance costs	(2,612)	(273)	(2,885)
Segment profit	9,215	10,169	19,384
Included in the measure of segment profit are			
- depreciation and amortisation	9,977	2,675	12,652
- non-cash expenses other than depreciation and amortisation	(2,053)	(687)	(2,740)
Segment assets	854,898	145,342	1,000,240
Included in the measure of segment assets is			
- capital expenditure	7,730	175	7,905

10. Valuation of Property, Plant and Equipment

The carrying value of land and building is based on the latest valuation performed on 30 April 2021 by independent qualified valuers.

During current financial quarter ended 31 July 2021, the acquisition and disposal of property, plant and equipment amounted to RM8.7 million and RM1 respectively.

11. Significant And Subsequent Events to The Balance Sheet Date

There were no significant material and subsequent events at the end of the current financial quarter ended 31 July 2021 that have not been reflected in the interim financial statements as at the date of this report.

12. Changes in the Composition of The Group

There were no significant changes in the composition of the Group for the financial year-to-date ended 31 July 2021.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021**

NOTES TO THE INTERIM FINANCIAL REPORT

13. Changes in Corporate Guarantees, Contingent Liabilities or Contingent Assets

The corporate guarantees of the Company are as follows:

	As at 31.07.2021	As at 30.04.2021
	RM'000	RM'000
(a) Corporate guarantees given to banks as securities for credit facilities granted to certain subsidiaries	343,904	345,107

**NTPM HOLDINGS BERHAD**Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021****NOTES TO THE INTERIM FINANCIAL REPORT****PART B: EXPLANATORY NOTES PURSUANT TO BURSA MALAYSIA LISTING REQUIREMENTS: CHAPTER 9, APPENDIX 9B, PART A****14. Review of Performance**

	Individual Quarter		Cumulative Quarter	
	First Quarter Ended		3 Months Ended	
	31.07.2021	31.07.2020	31.07.2021	31.07.2020
	RM'000	RM'000	RM'000	RM'000
Revenue				
Tissue Paper Products	120,755	128,023	120,755	128,023
Personal Care Products	53,007	51,267	53,007	51,267
Group	173,762	179,290	173,762	179,290
Profit before tax				
Tissue Paper Products	10,494	9,215	10,494	9,215
Personal Care Products	9,105	10,169	9,105	10,169
Group	19,599	19,384	19,599	19,384

Group

Group revenue for the current financial quarter ended 31 July 2021 was RM173.8 million, a decrease of 3.1% as compared to RM179.3 million for the financial quarter ended 31 July 2020. The decrease was due to the decrease in sales of tissue paper products.

The Group's profit before tax for the current financial quarter ended 31 July 2021 was RM19.6 million, an increase of 1.1% over RM19.4 million registered in the financial quarter ended 31 July 2020. The increase in profit before taxation was mainly driven by the higher unrealised gain on foreign exchange of RM5.5 million which was offset by the lower revenue and the increase in cost of pulp, waste paper, imported products and freight.

Tissue Paper Products segment

Revenue from the tissue paper products segment for the current financial quarter ended 31 July 2021 was RM120.8 million, a decrease of 5.7% as compared to RM128.0 million for the financial quarter ended 31 July 2020. Tissue paper products demand on the consumer side was negatively impacted by consumer and retailer de-stocking following the stock up that occurred in April 2021 related to inflationary headwinds. Beyond that, Away From Home business segment serving mainly the hospitality sector remained very weak with the pandemic movement control order restrictions.

**NTPM HOLDINGS BERHAD**

Company No. 199601012313 (384662-U)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021****NOTES TO THE INTERIM FINANCIAL REPORT****14. Review of Performance (Cont'd)****Tissue Paper Products segment (Cont'd)**

Profit before tax in the tissue paper products segment for the current financial quarter ended 31 July 2021 was RM10.5 million, an increase of 13.9% over RM9.2 million registered in the financial quarter ended 31 July 2020. The increase in profit before tax was due to lower finance cost and higher unrealised gain and partially offset by lower revenue and the increase in cost of pulp, waste paper, imported products and freight.

Personal Care Products segment

Revenue from the personal care products segment for the current financial quarter ended 31 July 2021 was RM53.0 million, an increase of 3.4% as compared to RM51.3 million recorded in the financial quarter ended 31 July 2020. This was mainly driven by the increase in revenue generated from adult diaper products.

Profit before tax in the personal care products segment for the current financial quarter ended 31 July 2021 was RM9.1 million, a decrease of 10.5% over RM10.2 million registered in the financial quarter ended 31 July 2020. The decrease in profit before tax was mainly due to the higher selling and marketing expenses spending in the personal care products segment in the current financial quarter ended 31 July 2021.

15. Comparison with Immediate Preceding Financial Quarter's Results

	Individual Quarter		Variance	
	First Quarter Ended 31.07.2021	Fourth Quarter Ended 30.04.2021		
	RM'000	RM'000	RM'000	%
Revenue	173,762	188,532	(14,770)	(7.8)
Profit before tax	19,599	(2,246)	21,845	972.6

Revenue for the current financial quarter ended 31 July 2021 decreased by RM14.8 million or 7.8% as compared to the financial quarter ended 30 April 2021. The decrease was due to the decrease in sales volume of both tissue paper and personal care products especially local sales, consumer side. The demand on the consumer side were negatively impacted by consumer and retailer de-stocking following the stock up that occurred in April 2021 related to inflationary headwinds.

The Group's consolidated profit before tax increased by RM21.8 million or 972.6% for the current financial quarter ended 31 July 2021 as compared to the financial quarter ended 30 April 2021 mainly due to lower employee benefits expense and unrealised loss on foreign exchange of RM6.4 million in 30 April 2021. Provision was made in financial quarter ended 30 April 2021 for the revision in benefit formula calculation in the renewed Collective Agreement of RM7.7 million.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

NOTES TO THE INTERIM FINANCIAL REPORT

16. Prospects

The progress of the national vaccination programme has been impressive and with the numerous efforts taken by the Government for national recovery, we hope that COVID-19 infections will be curtailed and the economy begins the path towards faster recovery in 2022.

The Group continues to work diligently in the “new normal”, take effective steps in ensuring safe work place, be resilient in the changing environment and turn external challenges into new opportunities. The Group has been able to meet the customers’ demand proactively leveraging on the manufacturing operations in Malaysia and Vietnam. However, such flexibility has since been constrained with the persistent COVID-19 infection wave in Vietnam from August 2021 affecting the production capacity of Vietnam operation. The progress on the national fight against COVID-19 in both Malaysia and Vietnam will affect the Group’s production in the months to come.

In addition, the Group has to contend with rising prices of its many key inputs, which continues to be very volatile. Pulp, waste paper and freight, as well as overheads, are subject to supply chain dynamic adversely affected by the pandemic. The active management of the sourcing of raw materials to optimise input cost is a critical management focus.

The Group has raised its tissue paper segment products prices since 1 May 2021 and the core board machines which recycle the waste water treatment sludge have been successfully commissioned and will achieve full production in October 2021. These sale side efforts will help to cushion the impact of production cost increase. However, the supply side environment remains extremely volatile and challenging and the Group’s profitability in the ensuing quarters will be adversely affected.

17. Variance of Actual Profit from Profit Forecast

Not applicable.

18. Taxation

	First Quarter Ended 31 July 2021 RM’000	3 Months Ended 31 July 2021 RM’000
Income tax		
Current year	5,665	5,665
	<u>5,665</u>	<u>5,665</u>
Deferred tax		
Current year	(1,855)	(1,855)
	<u>3,810</u>	<u>3,810</u>

The Group’s effective tax rate for the current financial quarter is lower than the statutory tax rate principally due to the utilisation of unabsorbed tax losses and unutilised capital allowances brought forward by certain subsidiary companies of the Group.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

NOTES TO THE INTERIM FINANCIAL REPORT

19. Status on Corporate Proposals

There were no significant corporate proposals for the current financial quarter and the financial year-to-date ended 31 July 2021.

20. Group Borrowings

	31 July 2021 RM'000
Non-current	
Unsecured	
Long term loans	43,915
Current	
Unsecured	
Bankers' acceptance	37,780
Onshore foreign currency loan	29,730
Revolving credit	150,973
Term loans	56,584
Trust receipt	24,922
	343,904

The borrowings are denominated in the following currencies:

	31 July 2021 RM'000			
	Vietnam Dong	Ringgit Malaysia	US Dollar	Total
Bankers' acceptance	-	37,780	-	37,780
Onshore foreign currency loan	-	-	29,730	29,730
Revolving credit	-	61,400	89,573	150,973
Term loans	-	57,195	43,304	100,499
Trust receipt	9,757	-	15,165	24,922
	9,757	156,375	177,772	343,904

NTPM (Singapore) Pte Ltd ("NSPL")'s long term loan amounting to RM24.6 million has been presented under current liabilities as at 31 July 2021 as the bank has the absolute discretion to revise or recall the banking facilities even if there has been no breach of covenant. As at 31 July 2021, NSPL has not breached the covenant of the term loan. However due to the terms and conditions stated in the banking facilities agreement, the Group has to reclassify these non-current liabilities (RM24.6 million) as current liabilities even though the term loan is not due to be settled within 12 months after the current financial quarter. This has resulted in the current ratio of 0.97 recorded by the Group as at 31 July 2021. Without such reclassification, the current ratio would have been 1.04.



NTPM HOLDINGS BERHAD

Company No. 199601012313 (384662-U)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021

NOTES TO THE INTERIM FINANCIAL REPORT

21. 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.

As at 31 July 2021, 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	10,906	10,993

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. Arising from fair value changes of financial derivative, during the current financial quarter ended 31 July 2021, the Group recognised a loss on derivative of RM17,000. 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 current financial quarter ended 31 July 2021. 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 2021.

22. Material litigation

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

23. Proposed Dividends

A single tier interim dividend of 0.80 sen per ordinary share in respect of the financial year ending 30 April 2022 has been declared on 24 September 2021 and is to be paid on 29 October 2021 to depositors registered in the records of Depositors at the close of business on 11 October 2021. The interim report does not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial quarter ending 31 October 2021.

**NTPM HOLDINGS BERHAD**Company No. 199601012313 (384662-U)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2021**

NOTES TO THE INTERIM FINANCIAL REPORT**24. Basic Earnings Per Share**

Basic earnings per ordinary share is calculated based on the Group's net profit attributable to ordinary shareholders over the weighted average number of ordinary shares in issue as follows:

	Individual Quarter		Cumulative Quarter	
	First Quarter Ended		3 Months Period Ended	
	31.07.2021	31.07.2020	31.07.2021	31.07.2020
Net profit attributable to ordinary shareholders (RM'000)	15,789	14,644	15,789	14,644
Weighted average number of ordinary shares in issue ('000)	1,123,040	1,123,040	1,123,040	1,123,040
Basic earnings per ordinary share (sen)	1.40	1.30	1.40	1.30

By Order of the Board**Company Secretary****DATED THIS 24th September, 2021**