



**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the third quarter and year-to-date ended 30 September 2020**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		Current Year	Preceding Year	Changes	Financial	Financial	Changes
		Quarter	Quarter		Year-To-Date	Year-To-Date	
Ended	Ended	%	Ended	Ended	%		
		30.09.2020	30.09.2019		30.09.2020	30.09.2019	
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue		173,818	169,812	2.4	463,712	477,369	(2.9)
Cost of sales		(152,108)	(153,445)	0.9	(413,362)	(445,893)	7.3
Gross profit		21,710	16,367	32.6	50,350	31,476	60.0
Other income		567	833	(31.9)	1,381	2,950	(53.2)
Operating expenses		(12,052)	(12,432)	3.1	(34,616)	(36,102)	4.1
Finance costs		(2,698)	(3,805)	29.1	(8,694)	(10,974)	20.8
Profit/(Loss) Before Taxation	19	7,527	963	(681.6)	8,421	(12,650)	166.6
Taxation	21	(1,214)	(515)	135.7	(2,324)	(769)	202.2
<b>Profit/(Loss) for the period</b>		<b>6,313</b>	<b>448</b>	<b>(1,309.2)</b>	<b>6,097</b>	<b>(13,419)</b>	<b>145.4</b>
<b>Other comprehensive (loss)/income, net of tax</b>							
Fair value of cash flow hedge		3,548	(175)	2,127.4	1,539	(1,930)	(179.7)
Foreign currency translation differences for foreign operations		(8,394)	2,361	(455.5)	(1,430)	1,102	229.8
<b>Other comprehensive (loss)/income for the period, net of tax</b>		<b>(4,846)</b>	<b>2,186</b>	<b>(321.7)</b>	<b>109</b>	<b>(828)</b>	<b>113.2</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>1,467</b>	<b>2,634</b>	<b>(44.3)</b>	<b>6,206</b>	<b>(14,247)</b>	<b>143.6</b>
<b>Profit/(Loss) attributable to:</b>							
Owners of the company		6,313	448	(1,309.2)	6,097	(13,419)	145.4
<b>Total comprehensive income/(loss) attributable to:</b>							
Owners of the company		1,467	2,634	(44.3)	6,206	(14,247)	143.6
<b>Profit/(Loss) per share attributable to owners of the company:</b>							
Basic (sen)		5.26	0.37	(1,321.6)	5.08	(11.18)	145.4
Diluted (sen)		5.26	0.37	(1,321.6)	5.08	(11.18)	145.4

The above Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements

**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

**Condensed Consolidated Statement of Financial Position****As at 30 September 2020**

		As at 30.09.2020 RM'000 Unaudited	As at 31.12.2019 RM'000 Audited
	Note		
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		300,120	307,684
Right-of-use assets		61,801	63,189
Intangible assets		485	1,005
Deferred tax assets		205	229
Other assets		646	922
		<u>363,257</u>	<u>373,029</u>
<b>Current Assets</b>			
Inventories		72,758	73,235
Trade and other receivables		156,668	155,747
Other assets		1,464	519
Tax recoverable		15	242
Cash and bank balances and short term funds		32,867	27,134
		<u>263,772</u>	<u>256,877</u>
<b>TOTAL ASSETS</b>		<u><u>627,029</u></u>	<u><u>629,906</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the company</b>			
Share capital		167,363	167,363
Warrants reserves		6,056	6,056
Other reserves		10,229	10,120
Retained earnings		58,771	52,674
<b>Total Equity</b>		<u>242,419</u>	<u>236,213</u>
<b>Non-Current Liabilities</b>			
Retirement benefit obligation		1,191	1,245
Borrowings	24	74,686	84,179
Lease liabilities		1,636	2,655
Deferred tax liabilities		852	875
Amount due to related companies		22,516	22,516
Derivative financial instrument	25	2,122	1,459
		<u>103,003</u>	<u>112,929</u>
<b>Current Liabilities</b>			
Provisions		13	5
Retirement benefit obligation		134	134
Borrowings	24	140,890	153,570
Lease liabilities		3,261	3,149
Amount due to related companies		16,945	85
Trade and other payables		117,981	121,806
Tax payable		968	1,367
Derivative financial instrument	25	1,415	648
		<u>281,607</u>	<u>280,764</u>
<b>Total Liabilities</b>		<u>384,610</u>	<u>393,693</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>627,029</u></u>	<u><u>629,906</u></u>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<u>2.02</u>	<u>1.97</u>

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements



**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

**Unaudited Condensed Consolidated Statement of Changes in Equity  
For the three quarters ended 30 September 2020**

	Attributable to Owners of the Company				
	Non-distributable			Distributable	
	Share Capital RM'000	Warrants Reserves RM'000	Other Reserves RM'000	Retained Earnings RM'000	Total RM'000
<b>As at 1 January 2020</b>	167,363	6,056	10,120	52,674	236,213
Profit for the financial period	-	-	-	6,097	6,097
Cash flow hedge	-	-	1,539	-	1,539
Currency translation differences	-	-	(1,430)	-	(1,430)
Total comprehensive income for the financial period	-	-	109	6,097	6,206
<b>As at 30 September 2020</b>	167,363	6,056	10,229	58,771	242,419
<b>As at 1 January 2019</b>	167,363	6,056	13,422	63,329	250,170
Loss for the financial period	-	-	-	(13,419)	(13,419)
Cash flow hedge	-	-	(1,930)	-	(1,930)
Currency translation differences	-	-	1,102	-	1,102
Total comprehensive loss for the financial period	-	-	(828)	(13,419)	(14,247)
<b>As at 30 September 2019</b>	167,363	6,056	12,594	49,910	235,923

The above Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements

**BOX-PAK (MALAYSIA) BHD.**

(Incorporated in Malaysia)

[Registration No. 197401004216 (21338-W)]

**Unaudited Condensed Consolidated Statement of Cash Flows  
For the three quarters ended 30 September 2020**

	<b>Current Year-To-Date Ended 30.09.2020 RM'000</b>	<b>Preceding Year-To-Date Ended 30.09.2019 RM'000</b>
<b>Net cash generated from operating activities</b>		
Receipts from customers	464,009	492,128
Payments to suppliers	(425,229)	(450,791)
Cash generated from operations	<u>38,780</u>	<u>41,337</u>
Interest paid	(8,499)	(10,974)
Income tax paid	(2,744)	(357)
Income tax refunded	233	-
	<u>27,770</u>	<u>30,006</u>
<b>Net cash used in investing activities</b>		
Acquisition of property, plant and equipment		
- Property, plant and equipment	(11,935)	(16,992)
- Intangible assets	(9)	(991)
Income distribution from short term funds	135	27
Net change in short term funds	(8,707)	1,001
Interest received	39	242
Proceeds from disposal of property, plant and equipment	58	36
	<u>(20,419)</u>	<u>(16,677)</u>
<b>Net cash used in financing activities</b>		
Net repayment in borrowings	(23,556)	(32,041)
Inter-company receipts	16,870	7,413
Payment on lease liabilities	(2,931)	-
Interest on lease liabilities	(195)	-
	<u>(9,812)</u>	<u>(24,628)</u>
Net decrease in Cash and Cash Equivalents	(2,461)	(11,299)
Effect of Exchange Rate Changes	(514)	(38)
Cash and Cash Equivalents at 1 January	22,896	45,870
Cash and Cash Equivalents at 30 September	<u>19,921</u>	<u>34,533</u>
Cash and Cash Equivalents at 30 September comprised the following:		
Cash and bank balances	19,921	26,732
Deposits with licensed bank	-	7,801
Short-term funds	12,946	1
Cash and bank balances and short term funds	<u>32,867</u>	<u>34,534</u>
Less: Short-term funds	(12,946)	(1)
Cash and Cash Equivalents at 30 September	<u>19,921</u>	<u>34,533</u>

The above Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements



## **1. Basis of Preparations**

The Interim Financial Statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and comply with MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019. The explanatory notes attached to the condensed report provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2019.

## **2. Significant Accounting Policies**

The accounting policies adopted in the preparation of this report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2019.

### **2.1 Adoption of Standards, Amendments and IC Interpretations**

The accounting policies adopted are consistent with those of previous financial year except for the adoption of the following new and amended MFRSs and IC Interpretation which are mandatory for financial periods beginning on or after 1 January 2020:

*Amendments to References to the Conceptual Framework in MFRS Standards*  
*Amendments to MFRS 3 Definition of a Business*  
*Amendments to MFRS 101 and MFRS 108 Definition of Material*  
*Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform*

The adoption of the above standards and interpretation did not have any material effect on the financial performance or position of the Group.

### **2.2 MFRSs, Amendments to MFRS and IC Interpretation Issued But Not Yet Effective**

As at the date of authorisation of this report, the following MFRS, Amendments and IC Interpretation were issued but not yet effective and have not been adopted by the Group:

*MFRS 17 Insurance Contracts*  
*Amendments to MFRS 101 Classification of Liabilities as Current or Non-current*  
*Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associates or Joint Venture*

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect to the financial statements of the Group upon their initial application.

## **3. Qualification of Audit Report of the Preceding Annual Financial Statements**

The financial statements for the year ended 31 December 2019 were not subject to any audit qualification.

## **4. Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors.



**BOX-PAK (MALAYSIA) BHD.** [Registration No. 197401004216 (21338-W)]  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

**6. Changes in Estimates**

There were no changes in estimates that had a material effect on the financial statements during the financial period under review.

**7. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial period under review.

**8. Dividends Paid**

There were no dividends paid during the financial period under review.

**9. Segmental Reporting**

Segmental results for the financial period ended 30 September 2020 are as follows:

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>							
External sales	125,222	327,471	11,019	-	463,712	-	463,712
Inter-segmental sales	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>125,222</b>	<b>327,471</b>	<b>11,019</b>	<b>-</b>	<b>463,712</b>	<b>-</b>	<b>463,712</b>
<b>RESULTS</b>							
Segment results	5,352	18,126	(7,699)	(79)	15,700	34	15,734
Other income	1,896	1,719	2	2,966	6,583	(5,202)	1,381
							17,115
Finance costs	(2,889)	(5,934)	(3,037)	(2,002)	(13,862)	5,168	(8,694)
Profit before taxation							8,421
Taxation							(2,324)
Profit after taxation							6,097
<b>ASSETS AND LIABILITIES</b>							
Segment assets	319,057	414,306	146,672	164,560	1,044,595	(417,786)	626,809
Unallocated corporate assets							220
Consolidated total assets							627,029
Segment liabilities	111,989	251,125	126,054	77,473	566,641	(187,388)	379,253
Unallocated corporate liabilities							5,357
Consolidated total liabilities							384,610
<b>OTHER INFORMATION</b>							
Capital Expenditure	3,763	9,449	1,023	-	14,235	-	14,235
Depreciation and amortisation	6,496	14,629	4,276	29	25,430	-	25,430
Non-cash expenses other than depreciation	359	336	-	2	697	-	697



**BOX-PAK (MALAYSIA) BHD.** [Registration No. 197401004216 (21338-W)]  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**9. Segmental Reporting (Cont'd)**

Segmental results for the financial period ended 30 September 2019 are as follows:

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>							
External sales	133,777	338,962	4,630	-	477,369	-	477,369
Inter-segmental sales	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>133,777</b>	<b>338,962</b>	<b>4,630</b>	<b>-</b>	<b>477,369</b>	<b>-</b>	<b>477,369</b>
<b>RESULTS</b>							
Segment results	(2,221)	7,014	(9,400)	(19)	(4,626)		(4,626)
Other income	3,640	752	157	3,290	7,839	(4,889)	2,950
							(1,676)
Finance costs	(4,042)	(6,665)	(3,135)	(2,036)	(15,878)	4,904	(10,974)
Loss before taxation							(12,650)
Taxation	67	(508)	(12,379)	906	(11,914)	-	(769)
Loss after taxation							(13,419)
<b>ASSETS AND LIABILITIES</b>							
Segment assets	329,630	412,839	151,727	170,953	1,065,149	(418,668)	646,481
Unallocated corporate assets							2,333
Consolidated total assets							648,814
Segment liabilities	128,709	268,289	114,410	85,645	597,053	(188,270)	408,783
Unallocated corporate liabilities							4,108
Consolidated total liabilities							412,891
<b>OTHER INFORMATION</b>							
Capital Expenditure	3,147	3,866	10,970	-	17,983	-	17,983
Depreciation and amortisation	4,119	12,397	4,318	-	20,834	-	20,834
Non-cash expenses other than depreciation	4,745	355	11	1	5,112	-	5,112

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**10. Valuation of Property, Plant and Equipment**

The Group did not carry out any revaluation exercise for accounting purposes during the financial period under review.

**11. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the financial period under review up to the date of this announcement, that have not been disclosed in this quarterly financial statements.

**12. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial period under review.

**13. Changes in Contingent Liabilities or Contingent Assets**

There were no material changes in contingent liabilities or contingent assets since the end of the previous financial year.

**14. Capital Commitments**

The amount of capital commitments as at 30 September 2020 is as follows:

	<b>RM'000</b>
Approved and contracted for	<u>3,664</u>

**15. Related Party Transactions**

The Group has also entered into the following related party transactions:

	<b>Current Year-To-Date Ended 30.09.2020 RM'000</b>
Sales to holding company	117
Sales to related companies	3,906
Rental income from a related company	174
Rental payable to a related company	1,736
Interest payable to related companies	<u>804</u>

The above transactions were entered into in the normal course of business on terms that the Directors considered comparable to transactions entered into with third parties.





**BOX-PAK (MALAYSIA) BHD.** [Registration No. 197401004216 (21338-W)]  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
 BURSA MALAYSIA SECURITIES BERHAD**

**16. Operating Segments Review**

***Third Quarter ended 30 September 2020 ("Q3, 2020") versus Third Quarter ended 30 September 2019 ("Q3, 2019")***

In Q3, 2020, the Group recorded a revenue of RM173.8 million, an increase of 2.4% from RM169.8 million in Q3, 2019. The improvement in revenue was mainly due to increase in demand for cartons in Malaysia and Myanmar. However, a slight drop in revenue was registered in Vietnam.

Group profit increased from RM16.4 million in Q3, 2019 to RM21.7 million in Q3, 2020. This was mainly attributable to improvement in gross profit margin from the Group's Malaysia and Vietnam operations and lower gross loss incurred by Myanmar operation. This was attributable to improved cost management and higher production efficiency.

With higher gross profit, the Group recorded a profit before taxation of RM7.5 million in Q3, 2020.

***Year-To-Date ended 30 September 2020 ("YTD Q3, 2020") versus Year-To-Date ended 30 September 2019 ("YTD Q3, 2019")***

In YTD Q3, 2020, the Group's revenue was RM463.7 million, a decrease of 2.9% from RM477.4 million recorded in YTD Q3, 2019. Lower revenue in YTD Q3, 2020 was attributable to the decrease in sales volume in the second quarter of year 2020, as a result of disruption of business activities when the Government imposed Movement Control Order ("MCO") in March 2020 to combat the Covid-19 pandemic.

Group profit increased from RM31.5 million in YTD Q3, 2019 to RM50.4 million in YTD Q3, 2020. This was mainly attributable to an increase in gross profit margin from the Group's Malaysia and Vietnam operations and lower gross loss incurred by Myanmar operation. The improvement in Malaysia and Vietnam operations was attributable to improved cost management and higher production efficiency.

As a results of higher gross profit, the Group recorded a profit before taxation of RM8.4 million in YTD Q3, 2020 as compared to a loss before taxation of RM12.7 million in YTD Q3, 2019. The loss in YTD Q3, 2019 was partially caused by an impairment loss on doubtful debts amounting to RM2.4 million.

**17. Material Change in Performance of Operating Segments for Q3, 2020 compared with Immediate Preceding Quarter Ended 30 June 2020 ("Q2, 2020")**

	<b>Current Year Quarter Ended 30.09.2020 RM'000</b>	<b>Immediate Preceding Quarter Ended 30.06.2020 RM'000</b>	<b>Changes %</b>
Revenue	173,818	142,770	21.7
Operating Profit	9,658	3,228	199.2
Profit Before Interest and Tax	10,225	3,868	164.3
Profit Before Taxation	7,527	764	885.2
Profit After Taxation	6,313	148	4,165.5
<b>Profit attributable to:</b>			
Owners of the company	6,313	148	4,165.5



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**17. Material Change in Performance of Operating Segments for Q3, 2020 compared with Immediate Preceding Quarter Ended 30 June 2020 ("Q2, 2020") (Con't)**

For the current quarter under review, the Group's net revenue increased to RM173.8 million from RM142.8 million in the immediate preceding quarter. The increase was mainly contributed by increase in sales volume following the resumption of business activities in Malaysia, Vietnam and Myanmar following the gradual lifting of lock-down measures imposed by the respective governments to combate the Covid-19 pandemic.

As a result of improvement in revenue, the Group's gross profit improved from RM14.4 million in the immediate preceding quarter to RM21.7 million in Q3, 2020.

Consequently, the Group recorded a profit before taxation of RM7.5 million in Q3, 2020, compared to a profit before taxation of RM0.8 million in Q2, 2020.

**18. Commentary on Prospects**

The Group operates in a very competitive industry. On the local front, the Group's results have been showing signs of improvement, with revenue growing and paper cost stabilising. The Group's operations are however still facing stiff competition in the market.

The exchange rate of United States Dollar ("USD") has been volatile, and this poses a risk to the Group, as it purchases its imported raw materials mainly in USD. A strengthened USD against RM would mean higher imported raw material costs for the operations.

The plant in Myanmar commenced operation in the first quarter of 2019. Since this is a greenfield project, the Group can only anticipate positive contribution from this plant in 4 to 5 years from its commencement.

The Group's operating environment for the financial year ending 31 December 2020 was affected by the outbreak of Covid-19 which has affected the global economy, consumer demand and supply chain.

The Board of Directors ("Board") remains cautiously optimistic in addressing the challenges faced by the Group in the final quarter of 2020.

**19. Profit/(Loss) Before Taxation**

Included in profit/(loss) before taxation are the following items:

	<b>Current Year Quarter Ended 30.09.2020 RM'000</b>	<b>Preceding Year Quarter Ended 30.09.2019 RM'000</b>	<b>Current Year-To-Date Ended 30.09.2020 RM'000</b>	<b>Preceding Year-To-Date Ended 30.09.2019 RM'000</b>
Other income:				
- Interest income	(7)	(61)	(39)	(242)
- Income distribution from short term funds	(47)	(6)	(135)	(27)
- Gain on derivatives	-	(798)	-	(2,400)
- Gain on disposal of property, plant and equipment	-	-	(57)	(82)
- Others	(513)	32	(1,150)	(199)
	(567)	(833)	(1,381)	(2,950)



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
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**19. Profit/(Loss) Before Taxation (Con't)**

Included in profit/(loss) before taxation are the following items: (Con't)

	<b>Current Year Quarter Ended 30.09.2020 RM'000</b>	<b>Preceding Year Quarter Ended 30.09.2019 RM'000</b>	<b>Current Year-To-Date Ended 30.09.2020 RM'000</b>	<b>Preceding Year-To-Date Ended 30.09.2019 RM'000</b>
Interest expense	2,698	3,805	8,694	10,974
Depreciation and amortisation	8,178	7,074	25,430	20,834
Provision for waste disposal	36	60	78	180
Impairment loss on doubtful debts	-	(82)	-	2,288
Net foreign exchange (gain)/loss	(28)	745	(973)	1,500
Write off of:				
- inventories	40	118	131	137
- property, plant and equipment	213	-	213	-

**20. Variance from Forecast Profit and shortfall in Profit Guarantee**

No profit forecast or guarantee was issued by the Group.

**21. Taxation**

	<b>Current Year Quarter Ended 30.09.2020 RM'000</b>	<b>Preceding Year Quarter Ended 30.09.2019 RM'000</b>	<b>Current Year-To-Date Ended 30.09.2020 RM'000</b>	<b>Preceding Year-To-Date Ended 30.09.2019 RM'000</b>
Income Tax				
- current year	(1,222)	(594)	(2,324)	(859)
- prior year	-	(3)	-	(3)
Deferred taxation	8	82	-	93
	<b>(1,214)</b>	<b>(515)</b>	<b>(2,324)</b>	<b>(769)</b>

The disproportionate tax charges for the Group was attributable to the absence of group relief.

**22. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at the date of the issue of this quarterly report.

**23. Material Litigations**

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



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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
 BURSA MALAYSIA SECURITIES BERHAD**

**24. Group Borrowings and Debt Securities**

Total Group borrowings are as follows:

	<b>As at 30.09.2020 RM'000</b>	<b>As at 31.12.2019 RM'000</b>
Current - unsecured		
- Revolving credit	20,000	27,800
- Trade facilities	104,778	103,524
- Term loans	16,112	21,783
- Bank overdraft	-	463
	<hr/>	<hr/>
	140,890	153,570
Non-current - unsecured		
- Term loans	74,686	84,179
	<hr/>	<hr/>
	215,576	237,749

Borrowings which are denominated in foreign currencies are as follows:

Current - unsecured		
- Trade facilities (denominated in Vietnam Dong ("VND"))	84,056	83,238
- Trade facilities (denominated in USD)	1,459	195
- Term loans (denominated in VND)	1,983	7,845
- Term loans (denominated in USD)	14,129	13,938
	<hr/>	<hr/>
Non-current - unsecured		
- Term loans (denominated in VND)	19,833	19,612
- Term loans (denominated in USD)	54,853	64,567
	<hr/>	<hr/>

The interest rates for the borrowings are as follows:

Term loans:		
- Floating rates	1.27% - 3.49%	2.90% - 7.20%
Trade facilities	1.40% - 6.28%	2.33% - 7.06%
Revolving credits	3.17% - 3.40%	4.56% - 4.80%

Hedging activities on major borrowings:

- (a) No hedging was done on borrowings denominated in VND as the borrowings obtained by subsidiaries in Vietnam will be retired in the same currency.
- (b) In 2018, the Group entered into an interest rate swap contract with a financial institution to hedge the interest rate exposure in respect of a long-term loan denominated in USD. The outstanding balance of the said term loan amounted to RM69.0 million.



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**25. Derivative financial instruments**

**(a) Disclosure of derivatives**

As at 30 September 2020, the Group had an interest rate swap contract with a financial institution to hedge the interest rate exposure in respect of a long-term loan denominated in USD.

The fair value of the derivatives are determined by using mark-to-market values at the end of the reporting date and changes in the fair value are recognised in profit or loss.

The fair value of the derivatives are determined by using mark-to-market values at the end of the reporting date and changes in the fair value are recognised in profit or loss.

Details of derivative financial instruments outstanding as at 30 September 2020 are set out below:

<b>Type of derivatives</b>	<b>Contract/ Notional amount RM'000</b>	<b>Fair value Liabilities RM'000</b>
<b>Hedging derivatives:</b>		
Interest swap contract		
- Less than one (1) year	14,129	1,415
- One (1) year to three (3) years	54,853	2,122
		<hr/> <hr/>
		3,537

There have been no significant changes since the end of the previous financial year ended 31 December 2019 in respect of the following:

- i. the market risk, credit risk and liquidity risk associated with the derivatives;
- ii. the cash requirements of the derivatives;
- iii. the policies in place for mitigating or controlling the risks associated with the derivatives; and
- iv. the related accounting policies.

**(b) Disclosure of gains/losses arising from fair value changes of financial instruments**

The fair value of financial instruments increased by RM1.4 million, from RM2.1 million as at 31 December 2019 to RM3.5 million as at 30 September 2020 due mainly to change in USD/RM exchange rate and interest rate.



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**26. Dividend**

No dividend has been declared for the financial period under review (YTD Q3, 2019: Nil).

**27. Profit/(Loss) Per Share**

**(a) Basic**

Basic profit/(loss) per ordinary share for the financial period under review is calculated by dividing profit/(loss) for the financial period attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial period:

	<b>Current Year Quarter Ended 30.09.2020</b>	<b>Preceding Year Quarter Ended 30.09.2019</b>	<b>Current Year-To-Date Ended 30.09.2020</b>	<b>Preceding Year-To-Date Ended 30.09.2019</b>
Profit/(Loss) attributable to owners of the Company (RM '000)	6,313	448	6,097	(13,419)
Weighted average number of ordinary shares in issue ('000)	120,047	120,047	120,047	120,047
<b>Basic profit/(loss) per share (sen)</b>	<b>5.26</b>	<b>0.37</b>	<b>5.08</b>	<b>(11.18)</b>

**(b) Diluted**

For the financial period under review, the outstanding warrants did not have a dilutive effect to the profit/(loss) per ordinary share as the average market price of ordinary shares as at the end of the reporting period was below the exercise price of the warrants.

**28. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Board passed on 25 November 2020.

Batu Caves, Selangor Darul Ehsan  
25 November 2020