



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 2021**

(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	%		
		30.9.2021	30.9.2020		30.9.2021	30.9.2020	
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue		123,964	173,818	(28.7)	488,387	463,712	5.3
Cost of sales		(120,987)	(152,108)	20.5	(449,818)	(413,362)	(8.8)
Gross profit		<u>2,977</u>	<u>21,710</u>	(86.3)	<u>38,569</u>	<u>50,350</u>	(23.4)
Other income		73	567	(87.1)	330	1,381	(76.1)
Operating expenses		(11,027)	(12,052)	8.5	(36,618)	(34,616)	(5.8)
Finance costs		(3,479)	(2,698)	(28.9)	(8,489)	(8,694)	2.4
(Loss)/Profit Before Taxation	19	<u>(11,456)</u>	<u>7,527</u>	252.2	<u>(6,208)</u>	<u>8,421</u>	173.7
Taxation	21	(215)	(1,214)	(82.3)	(1,672)	(2,324)	(28.1)
(Loss)/Profit for the period		<u>(11,671)</u>	<u>6,313</u>	284.9	<u>(7,880)</u>	<u>6,097</u>	229.2
Other comprehensive income/(loss), net of tax							
Fair value of cash flow hedge		347	3,548	90.2	1,107	1,539	(28.1)
Foreign currency translation differences for foreign operations		<u>3,293</u>	<u>(8,394)</u>	(139.2)	<u>8,713</u>	<u>(1,430)</u>	709.3
Other comprehensive income/(loss) for the period, net of tax		<u>3,640</u>	<u>(4,846)</u>	(175.1)	<u>9,820</u>	<u>109</u>	(8,909.2)
Total comprehensive (loss)/income for the period		<u>(8,031)</u>	<u>1,467</u>	(647.4)	<u>1,940</u>	<u>6,206</u>	68.7
(Loss)/Profit attributable to:							
Owners of the Company		<u>(11,671)</u>	<u>6,313</u>	284.9	<u>(7,880)</u>	<u>6,097</u>	229.2
Total comprehensive (loss)/income attributable to:							
Owners of the Company		<u>(8,031)</u>	<u>1,467</u>	(647.4)	<u>1,940</u>	<u>6,206</u>	68.7
(Loss)/Profit per share attributable to owners of the Company:							
Basic (sen)		(9.72)	5.26	284.8	(6.56)	5.08	229.1
Diluted (sen)		<u>(9.72)</u>	<u>5.26</u>	284.8	<u>(6.56)</u>	<u>5.08</u>	229.1

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 2020 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 2021**

	Note	As at 30.9.2021 RM'000 Unaudited	As at 31.12.2020 RM'000 Audited
ASSETS			
Non-Current Assets			
Property, plant and equipment		289,771	285,829
Right-of-use assets		62,428	62,290
Intangible assets		1,231	622
Deferred tax assets		205	205
Contract assets		703	784
		<u>354,338</u>	<u>349,730</u>
Current Assets			
Inventories		132,498	71,108
Trade and other receivables		141,566	157,176
Contract assets		1,078	1,218
Prepayments		3,850	643
Tax recoverable		19	10
Cash and bank balances and short term funds		23,259	44,264
		<u>302,270</u>	<u>274,419</u>
TOTAL ASSETS		<u><u>656,608</u></u>	<u><u>624,149</u></u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the company			
Share capital		167,363	167,363
Warrants reserves		6,056	6,056
Other reserves		15,843	6,023
Retained earnings		56,952	64,832
Total Equity		<u>246,214</u>	<u>244,274</u>
Non-Current Liabilities			
Retirement benefit obligation		1,209	1,132
Borrowings	24	53,265	61,177
Lease liabilities		2,006	2,539
Deferred tax liabilities		822	845
Amount due to related companies		34,905	21,357
Derivative financial instrument	25	1,418	1,676
		<u>93,625</u>	<u>88,726</u>
Current Liabilities			
Provisions		53	9
Borrowings	24	181,614	142,243
Lease liabilities		4,271	4,469
Trade and other payables		130,339	141,715
Tax payable		-	1,372
Derivative financial instrument	25	492	1,341
		<u>316,769</u>	<u>291,149</u>
Total Liabilities		<u>410,394</u>	<u>379,875</u>
TOTAL EQUITY AND LIABILITIES		<u><u>656,608</u></u>	<u><u>624,149</u></u>
Net assets per share attributable to owners of the Company (RM)		<u>2.05</u>	<u>2.03</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 2020 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 third quarter ended 30 September 2021**

	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
As at 1 January 2021	167,363	6,056	6,023	64,832	244,274
Loss for the financial period	-	-	-	(7,880)	(7,880)
Cash flow hedge	-	-	1,107	-	1,107
Currency translation differences	-	-	8,713	-	8,713
Total comprehensive income/(loss) for the financial period	-	-	9,820	(7,880)	1,940
As at 30 September 2021	167,363	6,056	15,843	56,952	246,214
As at 1 January 2020	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
As at 30 September 2020	167,363	6,056	10,229	58,771	242,419

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 2020 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 third quarter ended 30 September 2021**

	Current Year-to-Date Ended 30.9.2021 RM'000	Preceding Year-to-Date Ended 30.9.2020 RM'000
Net cash (used in)/generated from operating activities		
Receipts from customers	500,378	464,009
Payments to suppliers	(514,533)	(425,229)
Cash (used in)/generated from operations	(14,155)	38,780
Interest paid	(8,302)	(8,499)
Income tax paid	(3,154)	(2,744)
Income tax refunded	-	233
	<u>(25,611)</u>	<u>27,770</u>
Net cash used in investing activities		
Acquisition of:		
- Property, plant and equipment	(15,602)	(11,935)
- Intangible assets	(1,155)	(9)
Income distribution from short term funds	97	135
Net change in short term funds	13,884	(8,707)
Interest received	19	39
Proceeds from disposal of property, plant and equipment	410	58
	<u>(2,347)</u>	<u>(20,419)</u>
Net cash from/(used in) financing activities		
Net drawdown/(repayment) in borrowings	27,671	(23,556)
Inter-company (repayments)/receipts	(2,980)	16,870
Payment on lease liabilities	(3,311)	(2,931)
Interest on lease liabilities	(187)	(195)
	<u>21,193</u>	<u>(9,812)</u>
Net decrease in Cash and Cash Equivalents	(6,765)	(2,461)
Effect of Exchange Rate Changes	(356)	(514)
Cash and Cash Equivalents at 1 January	30,380	22,896
Cash and Cash Equivalents at 30 September	<u>23,259</u>	<u>19,921</u>
Cash and Cash Equivalents at 30 September comprised the following:		
Cash and bank balances	23,259	19,921
Short-term funds	-	12,946
Cash and bank balances and short term funds	<u>23,259</u>	<u>32,867</u>
Less: Short-term funds	-	(12,946)
Cash and Cash Equivalents at 30 September	<u>23,259</u>	<u>19,921</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 2020 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 2020. 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 2020.

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 2020.

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 2021:

Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

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:

Annual Improvements to MFRS Standards 2018 - 2020

Amendments to MFRS 3 *Reference to the Conceptual Framework*

Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*

Amendments to MFRS 137 *Onerous Contracts - Cost of Fulfilling a Contract*

Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*

MFRS 17 *Insurance Contracts*

Amendments to MFRS 17 *Insurance Contracts*

Disclosure of Accounting Policies (Amendments to MFRS 101 *Presentation of Financial Statements*)

Definition of Accounting Estimates (Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*)

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 2020 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 current quarter and financial period under review.

6. Changes in Estimates

There were no changes in estimates that had a material effect during the current quarter and 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 during the current quarter and financial period under review.

8. Dividends Paid

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

9. Segmental Reporting

Segmental results for the financial period ended 30 September 2021 are as follows:

	Malaysia RM'000	Vietnam RM'000	Myanmar RM'000	Others RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
REVENUE							
External sales	144,604	328,962	14,821	-	488,387	-	488,387
Inter-segmental sales	-	-	-	-	-	-	-
Total revenue	144,604	328,962	14,821	-	488,387	-	488,387
RESULTS							
Segment results	2,288	5,629	(6,820)	(219)	878	1,073	1,951
Other income	1,672	716	2	3,779	6,169	(5,839)	330
							<u>2,281</u>
Finance costs	(2,553)	(4,111)	(4,292)	(2,301)	(13,257)	4,768	(8,489)
Profit before taxation							<u>(6,208)</u>
Taxation							<u>(1,672)</u>
Profit after taxation							<u><u>(7,880)</u></u>
ASSETS AND LIABILITIES							
Segment assets	355,325	429,990	140,962	184,569	1,110,846	(454,462)	656,384
Unallocated corporate assets							224
Consolidated total assets							<u><u>656,608</u></u>
Segment liabilities	144,888	220,705	134,949	95,988	596,530	(188,868)	407,662
Unallocated corporate liabilities							2,732
Consolidated total liabilities							<u><u>410,394</u></u>
OTHER INFORMATION							
Additions to non-current assets	6,077	12,535	769	-	19,381	-	19,381
Depreciation and amortisation	7,089	15,494	3,857	-	26,440	-	26,440
Non-cash expenses other than depreciation	440	614	1,910	4	2,968	-	2,968



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 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
REVENUE							
External sales	125,222	327,471	11,019	-	463,712	-	463,712
Inter-segmental sales	-	-	-	-	-	-	-
Total revenue	125,222	327,471	11,019	-	463,712	-	463,712
RESULTS							
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)
Loss after taxation							6,097
ASSETS AND LIABILITIES							
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
OTHER INFORMATION							
Additions to non-current assets	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

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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 current quarter and 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 period.

14. Capital Commitments

The amount of capital commitments as at 30 September 2021 is as follows:

	RM'000
Approved and contracted for	<u>2,254</u>

15. Related Party Transactions

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

	Current Period-To-Date Ended 30.9.2021 RM'000
Sales to holding company	101
Sales to related companies	4,024
Rental income from a related company	174
Rental payable to a related company	2,220
Interest payable to holding company	15
Interest payable to related companies	<u>809</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 2021 ("Q3, 2021") versus Third Quarter ended 30 September 2020 ("Q3, 2020")

In Q3, 2021, the Group recorded a revenue of RM124.0 million, a decrease of 28.7% from RM173.8 million in Q3, 2020, with Malaysia and Vietnam plants registering lower revenue.

Gross profit decreased from RM21.7 million in Q3, 2020 to RM3.0 million in Q3, 2021. The decrease in revenue and gross profit was mainly attributable to the lockdown measures imposed by the local Governments in Malaysia and Vietnam as a result of the Covid-19 pandemic that led to a reduced demand for carton boxes.

Consequently, the Group recorded a loss before taxation of RM11.5 million in Q3, 2021 compared to a profit before taxation of RM7.5 million in Q3, 2020.

Year-To-Date ended 30 September 2021 ("YTD Q3, 2021") versus Year-To-Date ended 30 September 2020 ("YTD Q3, 2020")

In YTD Q3, 2021, the Group's revenue was RM488.4 million, representing an increase of 5.3% from RM463.7 million recorded in YTD Q3, 2020. The higher revenue in YTD Q3, 2021 was attributable to the higher overall selling price.

However, gross profit of the Group decreased from RM50.4 million in YTD Q3, 2020 to RM38.6 million in YTD Q3, 2021. This was mainly attributable to decrease in gross profit margin of Malaysia and Vietnam plants. The lower gross profit margin was due to lower production efficiency which arose from the various lockdown measures imposed by the local Governments in Malaysia and Vietnam.

As a result of lower gross profit, the Group recorded a loss before taxation of RM6.2 million in YTD Q3, 2021 as compared to a profit before taxation of RM8.4 million in YTD Q3, 2020.

17. Material Change in Performance of Operating Segments for Q3, 2021 compared with Immediate Preceding Quarter Ended 30 June 2021 ("Q2, 2021")

	Current Year Quarter Ended 30.9.2021 RM'000	Immediate Preceding Quarter Ended 30.6.2021 RM'000	Changes %
Revenue	123,964	181,904	(31.9)
Operating (Loss)/Profit	(8,050)	3,554	(326.5)
(Loss)/Profit Before Interest and Tax	(7,977)	3,410	(333.9)
(Loss)/Profit Before Taxation	(11,456)	625	(1,933.0)
(Loss)/Profit After Taxation	(11,671)	120	(9,825.8)
(Loss)/Profit attributable to:			
Owners of the company	(11,671)	120	(9,825.8)



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

17. Material Change in Performance of Operating Segments for Q3, 2021 compared with Immediate Preceding Quarter Ended 30 June 2021 ("Q2, 2021") (Con't)

For the current quarter under review, the Group's net revenue decreased to RM124.0 million in Q3, 2021 from RM181.9 million in the immediate preceding quarter. The decrease in revenue was mainly attributable to lower sales volume registered by the Malaysia and Vietnam plants as a result of lockdowns due to the Covid-19 pandemic which had caused disruptions to the business operations.

Due to the aforesaid reason, the Group's gross profit decreased from RM16.3 million in the immediate preceding quarter to RM3.0 million in Q3, 2021.

The Group's recorded a loss before taxation of RM11.5 million in Q3, 2021 as opposed to profit before taxation of RM0.6 million in Q2, 2021. This was mainly due to lower gross profit as stated above.

18. Commentary on Prospects

The Group operates in a very competitive industry and this has been exacerbated by the Covid-19 pandemic and lockdowns imposed by the local Governments in Malaysia and Vietnam. As a consequence, the results in Q3, 2021 continued to reflect the challenges of managing escalating cost of raw materials, elevated freight rates as well as the weakening Ringgit against the United States Dollar ("USD"). The Group also faced operational restrictions due to regulatory compliance of Covid-19 standard operating procedures for manufacturers both in Malaysia as well as our overseas operations.

The twin issues of a political upheaval in Myanmar which started in early 2021 and the Covid-19 pandemic situation continue unabated. This had impacted our operations somewhat and remains very challenging.

The Group will continue to assess the operational and financial impact of the political instability and monitor the development in Myanmar to enable effective and timely response to any changes in order to protect the Group's interest.

The Board of Directors ("Board") remains cautiously optimistic in addressing the challenges faced by the Group in the final quarter of 2021.

19. (Loss)/Profit Before Taxation

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

	Current Year Quarter Ended 30.9.2021 RM'000	Preceding Year Quarter Ended 30.9.2020 RM'000	Current Year-To-Date Ended 30.9.2021 RM'000	Preceding Year-To-Date Ended 30.9.2020 RM'000
Other income:				
- Interest income	(6)	(7)	(19)	(39)
- Income distribution from short term funds	(7)	(47)	(97)	(135)
- Gain on disposal of property, plant and equipment	-	-	-	(57)
- Others	(60)	(513)	(214)	(1,150)
	(73)	(567)	(330)	(1,381)



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

19. (Loss)/Profit Before Taxation (Con't)

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

	Current Year Quarter Ended 30.9.2021 RM'000	Preceding Year Quarter Ended 30.9.2020 RM'000	Current Year-To-Date Ended 30.9.2021 RM'000	Preceding Year-To-Date Ended 30.9.2020 RM'000
Interest expense	3,479	2,698	8,489	8,694
Depreciation and amortisation	9,055	8,178	26,440	25,430
Provision for waste disposal	60	36	179	78
Net foreign exchange loss/(gain)	1,088	(28)	1,896	(973)
Write off of:				
- inventories	-	40	-	131
- property, plant and equipment	53	213	53	213

20. Variance from Forecast Profit and shortfall in Profit Guarantee

No profit forecast or guarantee was issued by the Group.

21. Taxation

	Current Year Quarter Ended 30.9.2021 RM'000	Preceding Year Quarter Ended 30.9.2020 RM'000	Current Year-To-Date Ended 30.9.2021 RM'000	Preceding Year-To-Date Ended 30.9.2020 RM'000
Income Tax				
- current year	(223)	(1,222)	(1,695)	(2,324)
- prior year	-	-	-	-
Deferred taxation	8	8	23	-
	<u>(215)</u>	<u>(1,214)</u>	<u>(1,672)</u>	<u>(2,324)</u>

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 material litigation nor pending material litigation against the Group since the end of the previous financial year up to the date of the issuance of this quarterly report.



BOX-PAK (MALAYSIA) BHD. [Registration No. 197401004216 (21338-W)]
**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:

	As at 30.9.2021 RM'000	As at 31.12.2020 RM'000
Current - unsecured		
- Revolving credit	37,374	13,000
- Trade facilities	127,965	107,874
- Term loans	16,275	21,369
	<hr/>	<hr/>
	181,614	142,243
Non-current - unsecured		
- Term loans	53,265	61,177
	<hr/>	<hr/>
	234,879	203,420

Borrowings which are denominated in foreign currencies are as follows:

Current - unsecured		
- Revolving credit (denominated in USD)	2,374	-
- Trade facilities (denominated in Vietnam Dong ("VND"))	93,357	86,964
- Trade facilities (denominated in USD)	1,823	3,917
- Term loans (denominated in VND)	2,039	7,711
- Term loans (denominated in USD)	14,236	13,658
	<hr/>	<hr/>
Non-current - unsecured		
- Term loans (denominated in VND)	12,232	11,567
- Term loans (denominated in USD)	41,033	49,610
	<hr/>	<hr/>

The interest rates for the borrowings are as follows:

Term loans:		
- Floating rates	1.12% - 4.89%	1.22% - 3.51%
Trade facilities	0.56% - 5.81%	1.30% - 5.57%
Revolving credits	1.10% - 3.54%	3.15%

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 settled 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 as at 30 September 2021 of the said term loan amounted to RM55.3 million.



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25. Derivative financial instruments

(a) Disclosure of derivatives

As at 30 September 2021, 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 the profit or loss.

Details of the derivative financial instruments outstanding as at 30 September 2021 are set out below:

Type of derivatives	Contract/ Notional amount RM'000	Fair value Liabilities RM'000
Hedging derivatives:		
Interest swap contract		
- Less than one (1) year	14,236	492
- One (1) year to three (3) years	41,033	1,418
		<hr/>
		1,910

There have been no significant changes since the end of the previous financial year ended 31 December 2020 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 decreased by RM1.1 million, from RM3.0 million as at 31 December 2020 to RM1.9 million as at 30 September 2021 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 ended 30 September 2021 (YTD Q3, 2021: Nil).

27. Earnings Per Share

(a) Basic

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

	Current Year Quarter Ended 30.9.2021	Preceding Year Quarter Ended 30.9.2020	Current Year-To-Date Ended 30.9.2021	Preceding Year-To-Date Ended 30.9.2020
(Loss)/Profit attributable to owners of the Company (RM '000)	<u>(11,671)</u>	<u>6,313</u>	<u>(7,880)</u>	<u>6,097</u>
Weighted average number of ordinary shares in issue ('000)	<u>120,047</u>	<u>120,047</u>	<u>120,047</u>	<u>120,047</u>
Basic (loss)/profit per share (sen)	<u>(9.72)</u>	<u>5.26</u>	<u>(6.56)</u>	<u>5.08</u>

(b) Diluted

For the financial period under review, the diluted (loss)/profit per share was the same as the basic (loss)/profit per share because the effect of the assumed conversion of warrants outstanding would be anti-dilutive.

28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board in accordance with a resolution of the Board dated 24 November 2021.

Batu Caves, Selangor Darul Ehsan
24 November 2021