



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 fourth quarter and financial year ended 31 December 2022**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		Current Year Quarter Ended 31.12.2022 RM'000	Preceding Year Quarter Ended 31.12.2021 RM'000	Changes %	Financial Year Ended 31.12.2022 RM'000	Financial Year Ended 31.12.2021 RM'000	Changes %
Revenue		189,704	189,834	(0.1)	765,774	678,221	12.9
Cost of sales		(172,417)	(199,673)	13.7	(701,629)	(649,491)	(8.0)
Gross profit/(loss)		<u>17,287</u>	<u>(9,839)</u>	(275.7)	<u>64,145</u>	<u>28,730</u>	123.3
Other (expenses)/income		155	153	(1.3)	578	483	19.7
Operating expenses		(14,050)	(108,040)	87.0	(55,120)	(144,658)	61.9
Finance costs		(3,763)	(2,888)	(30.3)	(12,508)	(11,377)	(9.9)
Loss Before Taxation	19	<u>(371)</u>	<u>(120,614)</u>	(99.7)	<u>(2,905)</u>	<u>(126,822)</u>	(97.7)
Taxation	21	(1,401)	1,672	183.8	(3,153)	(1,957)	(61.1)
Loss for the period		<u>(1,772)</u>	<u>(118,942)</u>	(98.5)	<u>(6,058)</u>	<u>(128,779)</u>	(95.3)
Other comprehensive income, net of tax							
Fair value of cash flow hedge		-	553	(100.0)	1,356	1,660	(18.3)
Foreign currency translation differences for foreign operations		<u>(1,869)</u>	<u>(602)</u>	210.5	<u>(429)</u>	<u>8,111</u>	(105.3)
Other comprehensive (loss)/ income for the period, net of tax		<u>(1,869)</u>	<u>(49)</u>	3,714.3	<u>927</u>	<u>9,771</u>	(90.5)
Total comprehensive (loss)/income for the period		<u>(3,641)</u>	<u>(118,991)</u>	(96.9)	<u>(5,131)</u>	<u>(119,008)</u>	(95.7)
Loss attributable to:							
Owners of the Company		(1,772)	(118,942)	(98.5)	(6,058)	(128,779)	(95.3)
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(3,641)	(118,991)	(96.9)	(5,131)	(119,008)	(95.7)
Loss per share attributable to owners of the Company:							
Basic (sen)		(1.48)	(99.08)	(98.5)	(5.05)	(107.27)	(95.3)
Diluted (sen)		<u>(1.48)</u>	<u>(99.08)</u>	(98.5)	<u>(5.05)</u>	<u>(107.27)</u>	(95.3)

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 2021 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 31 December 2022**

		As at 31.12.2022 RM'000 Unaudited	As at 31.12.2021 RM'000 Audited
	Note		
ASSETS			
Non-Current Assets			
Property, plant and equipment		189,487	198,203
Right-of-use assets		49,125	45,241
Intangible assets		398	991
Deferred tax assets		-	205
Other assets		878	726
		<u>239,888</u>	<u>245,366</u>
Current Assets			
Inventories		74,779	112,899
Trade and other receivables		172,420	186,279
Prepayments		3,529	1,131
Tax recoverable		6	12
Cash and bank balances and short term funds		49,016	22,191
		<u>299,750</u>	<u>322,512</u>
TOTAL ASSETS		<u><u>539,638</u></u>	<u><u>567,878</u></u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the company			
Share capital		167,363	167,363
Other reserves		16,829	21,850
Accumulated losses		(63,949)	(63,947)
Total Equity		<u>120,243</u>	<u>125,266</u>
Non-Current Liabilities			
Amount due to related companies		43,954	38,690
Borrowings	24	47,439	44,850
Lease liabilities		6,026	1,777
Retirement benefit obligation		2,115	1,233
Derivative financial instrument	25	-	1,076
Deferred tax liabilities		783	814
		<u>100,317</u>	<u>88,440</u>
Current Liabilities			
Trade and other payables		161,700	149,770
Borrowings	24	151,907	199,484
Lease liabilities		4,500	4,638
Derivative financial instrument	25	-	280
Tax payable		971	-
		<u>319,078</u>	<u>354,172</u>
Total Liabilities		<u>419,395</u>	<u>442,612</u>
TOTAL EQUITY AND LIABILITIES		<u><u>539,638</u></u>	<u><u>567,878</u></u>
Net assets per share attributable to owners of the Company (RM)			
		<u>1.00</u>	<u>1.04</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 2021 and the accompanying explanatory notes attached to the interim financial statements



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

**Unaudited Condensed Consolidated Statement of Changes in Equity
For the financial year ended 31 December 2022**

	Attributable to Owners of the Company				Total
	Non-distributable			Distributable	
	Share Capital	Warrants Reserve	Other Reserves	(Accumulated losses)/ Retained Earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2022	167,363	6,056	15,794	(63,947)	125,266
Loss for the financial year	-	-	-	(6,058)	(6,058)
Cash flow hedge	-	-	1,356	-	1,356
Currency translation differences	-	-	(429)	-	(429)
Total comprehensive income/(loss) for the financial year	-	-	927	(6,058)	(5,131)
Transaction with owners of the Company					
- Capital contribution	-	-	108	-	108
- Expiry of unexercised warrants	-	(6,056)	-	6,056	-
As at 31 December 2022	167,363	-	16,829	(63,949)	120,243
As at 1 January 2021	167,363	6,056	6,023	64,832	244,274
Loss for the financial year	-	-	-	(128,779)	(128,779)
Cash flow hedge	-	-	1,660	-	1,660
Currency translation differences	-	-	8,111	-	8,111
Total comprehensive income/(loss) for the financial year	-	-	9,771	(128,779)	(119,008)
As at 31 December 2021	167,363	6,056	15,794	(63,947)	125,266

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 2021 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 financial year ended 31 December 2022**

	Current Year Ended 31.12.2022 RM'000	Preceding Year Ended 31.12.2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(2,905)	(126,822)
Adjustments:		
Depreciation and amortisation of assets	30,812	43,701
(Gain)/loss on disposal of property, plant and equipment	(58)	268
Net gain on termination and remeasurement of lease contracts	(9)	-
Interest expense	12,508	11,377
Interest income	(112)	(24)
Net impairment loss on:		
- property, plant and equipment	-	79,694
- right-of-use assets	-	16,726
- financial instruments	348	335
Retirement benefits obligations	883	100
Usage of spare parts property, plant and equipment	-	870
(Write back)/Write-down of inventories	(7,059)	15,641
Write off in respect of:		
- property, plant and equipment	48	53
- inventories	6,018	3,114
Income distribution from short term funds	(5)	(97)
Fair value gain on derivative	107	-
Unrealised loss on foreign exchange	925	-
Operating profit before changes in working capital	41,501	44,936
Changes in working capital		
Inventories	39,163	(60,547)
Trade and other receivables	10,376	(28,712)
Trade and other payables	37,161	28,447
Cash generated from/(used in) operations	128,201	(15,876)
Interest paid	(10,333)	(9,993)
Income tax paid	(2,003)	(3,423)
Net cash from/(used in) operating activities	115,865	(29,292)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(12,267)	(21,541)
Acquisition of intangible asset	(273)	(1,155)
Proceeds from disposal of property, plant and equipment	476	500
Uplift of short-term funds	-	13,884
Dividends received from short term investment	5	97
Repayment from related companies	-	2
Interest received	112	24
Net cash used in investing activities	(11,947)	(8,189)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of term loans	(9,000)	(22,227)
Net movement in other borrowings and lease liabilities	(37,352)	59,429
Payment of lease liabilities	(4,790)	(4,617)
Repayment to related companies	(22,595)	(3,073)
Interest paid	(2,175)	(1,384)
Net cash (used in)/from financing activities	(75,912)	28,128
Net increase/(decrease) in cash and cash equivalents	28,006	(9,353)
Effect of exchange rate changes	(687)	670
Cash and cash equivalents brought forward	21,697	30,380
Cash and cash equivalents carried forward	49,016	21,697
*Cash and Cash Equivalents at 31 December 2022 and 2021 comprise the following:		
Cash and bank balances	49,016	22,191
Bank overdraft	-	(494)
	49,016	21,697

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 2021 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 2021. 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 2021.

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 2021.

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 2022:

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*

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 17 *Insurance Contracts*
Amendments to MFRS 17 *Initial Application of MFRS 17 and MFRS 9 - Comparative Information*
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*
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 112 *Deferred tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to MFRS 16 *Leases - Lease Liability in a Sale and Leaseback*
Amendments to MFRS 101 *Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
Amendments to MFRS 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, if applicable when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect on 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 2021 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 year under review.

6. Changes in Estimates

There were no changes in estimates that had a material effect on the financial statements during the current quarter and financial year 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 year under review other than the warrants previously issued that expired on 13 March 2022.

8. Dividends Paid

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

9. Segmental Reporting

Segmental results for the financial year ended 31 December 2022 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	181,054	540,673	44,047	-	765,774	-	765,774
Inter-segmental sales	-	-	-	-	-	-	-
Total revenue	181,054	540,673	44,047	-	765,774	-	765,774
RESULTS							
Segment results	(4,986)	14,826	(1,813)	(332)	7,695	1,329	9,024
Other income	2,669	1,803	287	4,956	9,715	(9,136)	579
							9,603
Finance costs	(4,947)	(5,985)	(5,222)	(3,854)	(20,008)	7,500	(12,508)
Loss before taxation							(2,905)
Taxation							(3,153)
Loss after taxation							(6,058)
ASSETS AND LIABILITIES							
Segment assets	368,468	438,446	48,574	196,377	1,051,865	(512,233)	539,632
Unallocated corporate assets							6
Consolidated total assets							539,638
Segment liabilities	173,395	230,518	154,386	105,977	664,276	(246,635)	417,641
Unallocated corporate liabilities							1,754
Consolidated total liabilities							419,395
OTHER INFORMATION							
Capital Expenditure	4,320	7,679	541	-	12,540	-	12,540
Depreciation and amortisation	10,946	19,181	647	38	30,812	-	30,812
Non-cash expenses other than depreciation	1,256	6,160	2,019	1	9,436	-	9,436

**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 year ended 31 December 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	196,090	459,923	22,208	-	678,221	-	678,221
Inter-segmental sales	-	-	-	-	-	-	-
Total revenue	196,090	459,923	22,208	-	678,221	-	678,221
RESULTS							
Segment results	(5,900)	(5,080)	(105,789)	(323)	(117,092)	1,164	(115,928)
Other income	2,125	890	3	4,953	7,971	(7,488)	483
							(115,445)
Finance costs	(3,512)	(5,497)	(5,469)	(3,223)	(17,701)	6,324	(11,377)
Loss before taxation							(126,822)
Taxation							(1,957)
Loss after taxation							(128,779)
ASSETS AND LIABILITIES							
Segment assets	346,684	443,202	40,863	184,675	1,015,424	(447,763)	567,661
Unallocated corporate assets							217
Consolidated total assets							567,878
Segment liabilities	144,122	247,222	135,024	96,237	622,605	(182,163)	440,442
Unallocated corporate liabilities							2,170
Consolidated total liabilities							442,612
OTHER INFORMATION							
Capital Expenditure	8,399	13,455	842	-	22,696	-	22,696
Depreciation and amortisation	10,885	27,365	5,414	37	43,701	-	43,701
Non-cash expenses other than depreciation	6,106	8,681	99,313	-	114,100	-	114,100

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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 year 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 year 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 year 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 31 December 2022 is as follows:

	RM'000
Approved and contracted for	<u>352</u>

15. Related Party Transactions

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

	Current Financial Year Ended 31.12.2022 RM'000
Sales to holding company	125
Sales to related companies	7,317
Purchases from related companies	(1,551)
Rental paid/payable to a related company	(2,959)
Interest paid/payable to related companies	<u>(1,916)</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.

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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

Fourth Quarter ended 31 December 2022 ("Q4, 2022") versus Fourth Quarter ended 31 December 2021 ("Q4, 2021")

In Q4, 2022, the Group recorded a revenue of RM189.7 million, a decrease of 0.1% from RM189.8 million in Q4, 2021.

The Group recorded a gross profit of RM17.2 million in Q4, 2022 as opposed to a gross loss of RM9.8 million in Q4, 2021. This was mainly attributable to recovery of production volume and increase in revenue generated by Vietnam and Myanmar operations as a result of the post COVID-19 pandemic uplifting of movement restriction particularly in Vietnam. In addition, the Group has made provision on slow moving inventories in Q4,

The Group recorded a loss before taxation of RM0.4 million in Q4, 2022, compared to a loss before taxation of RM120.6 million in Q4, 2021.

Financial Year Ended 31 December 2022 ("FYE 2022") versus Financial Year Ended ended 31 December 2021 ("FYE 2021")

In FYE, 2022, the Group's revenue was RM765.8 million, an increase of 13% from RM678.2 million recorded in FYE 2021 with Vietnam and Myanmar operations being the main contributors to the increase in revenue.

The Group recorded an increase in gross profit from RM28.7 million in FYE 2021 to RM64.1 million in FYE 2022. This was mainly attributable to the increase in gross profit from Vietnam and Myanmar operations. The improvement was attributable to recovery of production and sales volume as a result of the uplifting of movement restriction particularly in Vietnam.

Consequently, the Group recorded a loss before taxation of RM2.9 million in FYE 2022, compared to loss before taxation of RM126.8 million in FYE 2021.

17. Material Change in Performance of Operating Segments for Q4, 2022 compared with Immediate Preceding Quarter Ended 30 September 2022 ("Q3, 2022")

	Current Quarter Ended 31.12.2022 RM'000	Immediate Preceding Quarter Ended 30.9.2022 RM'000	Changes %
Revenue	189,704	190,540	(0.4)
Gross profit	17,287	16,784	3.0
Operating Profit	3,237	3,070	5.4
Profit Before Interest and Tax	3,392	2,563	32.3
Loss Before Taxation	(371)	(819)	54.7
Loss After Taxation	(1,772)	(1,338)	(32.4)
Loss attributable to:			
Owners of the Company	(1,772)	(1,338)	(32.4)



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

17. Material Change in Performance of Operating Segments for Q4, 2022 compared with Immediate Preceding Quarter Ended 30 September 2022 ("Q3, 2022") (Con't)

For the current quarter under review, the Group's net revenue decreased from RM190.5 million in the immediate preceding quarter to RM189.7 million due to lower sales volume in Malaysia.

The Group recorded an increase in gross profit from RM16.8 million in Q3, 2022 to RM17.3 million in Q4, 2022, mainly contributed by improved sales volume in Vietnam and Myanmar.

Due to the aforesaid reason, the Group reported a loss before taxation of RM0.4 million in Q4, 2022 as opposed to a loss before taxation of RM0.8 million in Q3, 2022.

18. Commentary on Prospects

The Group operates in a very competitive industry with numerous competitors. As a consequence, the results continued to reflect the challenges of managing inflationary cost impact, and the volatility of Malaysian Ringgit against United States Dollar ("USD") and hikes in interest rates.

The political upheaval in Myanmar which started in early 2021 continues to pose volatility and increase currency risk in particular. The Group will continue to assess the operational and financial impact of the constant change in trade and monetary regulations and monitor the development in Myanmar to enable effective and timely response to any changes in order to protect the Group's interest.

Some of the plans or measures being undertaken by the Group in 2022 will be continued in 2023 and these include the following:

- to allocate additional resources for business development activities to further increase the sales volume and sales orders from existing and new customers;
- to further improve inventories management and control to rationalise paper roll purchases;
- to further improve the production efficiencies by reducing production wastages and increase process automation to reduce overheads cost;
- to increase focus on sales and collections to free up cash flow for the Group; and
- continuous skills development for the existing employees from sales, production and procurement divisions to enhance the productivity and efficiency.

The Board of Directors ("Board") remains cautiously optimistic in addressing the challenges faced by the Group as the Group strives to achieve a satisfactory performance in 2023.



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

19. (Loss)/Profit Before Taxation

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

	Fourth Quarter Ended 31.12.2022 RM'000	Fourth Quarter Ended 31.12.2021 RM'000	Current Financial Year Ended 31.12.2022 RM'000	Preceding Financial Year Ended 31.12.2021 RM'000
Other (income)/expenses:				
- Interest income	(35)	(5)	(112)	(24)
- Income distribution from short term funds	(2)	-	(5)	(97)
- Gain on disposal of property, plant and equipment	-	-	(58)	-
- Others	(117)	(148)	(404)	(362)
	(154)	(153)	(579)	(483)
Interest expense	3,763	2,888	12,508	11,377
Depreciation and amortisation	8,752	17,261	30,812	43,701
Provision for waste disposal	52	-	190	179
Net impairment loss on doubtful debts	72	333	348	335
Net foreign exchange loss	-	(233)	700	1,663
Write off of:				
- inventories	-	3,114	6,018	3,114
- property, plant and equipment	13	-	48	53

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 31.12.2022 RM'000	Preceding Year Quarter Ended 31.12.2021 RM'000	Current Financial Year Ended 31.12.2022 RM'000	Preceding Financial Year Ended 31.12.2021 RM'000
Income Tax				
- current year	1,218	285	2,994	1,980
- prior year	(14)	7	(14)	7
Deferred taxation	197	(7)	173	(30)
	1,401	285	3,153	1,957

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.



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

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.

24. Group Borrowings and Debt Securities

Total Group borrowings are as follows:

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
Current - unsecured		
- Revolving credit	39,500	47,000
- Trade facilities	102,864	133,304
- Term loans	9,543	18,687
- Bank overdraft	-	493
	<hr/>	<hr/>
	151,907	199,484
Non-current - unsecured		
- Term loans	47,439	44,850
	<hr/>	<hr/>
	199,346	244,334

Borrowings which are denominated in foreign currencies are as follows:

Current - unsecured		
- Trade facilities (denominated in Vietnam Dong ("VND"))	81,847	98,096
- Trade facilities (denominated in USD)	279	4,325
- Term loans (denominated in VND)	-	8,066
- Term loans (denominated in USD)	9,543	10,621
	<hr/>	<hr/>
Non-current - unsecured		
- Term loans (denominated in VND)	4,122	4,033
- Term loans (denominated in USD)	43,317	40,817
	<hr/>	<hr/>

The interest rates for the borrowings are as follows:

Term loans:		
- Floating rates	4.84% - 9.46%	1.16% - 4.85%
Trade facilities	1.16% - 7.95%	1.02% - 5.85%
Revolving credits	3.42% - 4.50%	3.19% - 3.50%
Bank overdraft	-	7.64%
	<hr/>	<hr/>

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 repaid in the same currency.

(b) No hedging was done on borrowings denominated in USD. The Group monitors the foreign currency movement and will take necessary actions to minimise the risk whenever deem appropriate.



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

25. Derivative financial instruments

(a) Disclosure of derivative

There was no outstanding derivatives as at 31 December 2022.

26. Dividend

No dividend has been declared for the financial year ended 31 December 2021 (FYE 2020: Nil).

27. Loss Per Share

(a) Basic

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

	Current Year Quarter Ended 31.12.2022	Preceding Year Quarter Ended 31.12.2021	Current Financial Year Ended 31.12.2022	Preceding Financial Year Ended 31.12.2021
Loss attributable to owners of the Company (RM'000)	(1,772)	(118,942)	(6,058)	(128,779)
Weighted average number of ordinary shares in issue ('000)	120,047	120,047	120,047	120,047
Basic loss per share (sen)	(1.48)	(99.08)	(5.05)	(107.27)

(b) Diluted

For the financial period under review, the diluted (loss)/profit per share was the same as the basic (loss)/profit per share.

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 23 February 2022.

Batu Caves, Selangor Darul Ehsan
23 February 2022