


**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER 31.12.2019	PRECEDING YEAR CORRESPONDING QUARTER 31.12.2018	CURRENT YEAR TO DATE (UNAUDITED) 31.12.2019	PRECEDING YEAR CORRESPONDING PERIOD (UNAUDITED) 31.12.2018
Revenue	A7	231,625	219,101	935,072	861,615
Cost of goods sold		(189,349)	(182,582)	(782,666)	(739,706)
<b>Gross profit</b>		<b>42,276</b>	<b>36,519</b>	<b>152,406</b>	<b>121,909</b>
Other income		1,150	6,884	2,800	8,641
Selling and distribution expenses		(12,063)	(9,008)	(41,802)	(35,417)
Administrative expenses		(9,324)	(9,074)	(36,775)	(34,200)
Other expenses		(637)	(4,003)	(912)	(6,908)
<b>Results from operating activities</b>	B5	<b>21,402</b>	<b>21,318</b>	<b>75,717</b>	<b>54,025</b>
Interest income		963	922	4,114	3,105
Finance costs		(957)	(1,137)	(4,390)	(3,484)
Share of net Profit of Associate		340	-	489	-
<b>Profit before tax</b>	A7	<b>21,748</b>	<b>21,103</b>	<b>75,930</b>	<b>53,646</b>
Tax expense	B6	(3,070)	(3,400)	(12,049)	(8,343)
<b>Profit for the period</b>		<b>18,678</b>	<b>17,703</b>	<b>63,881</b>	<b>45,303</b>
<b>Other comprehensive income/(expense), net of tax</b>					
Fair value of other investment		(567)	-	(567)	-
Foreign currency translation differences for foreign operations		289	(62)	(1,967)	(2,939)
<b>Total comprehensive income for the period</b>		<b>18,400</b>	<b>17,641</b>	<b>61,347</b>	<b>42,364</b>
<b>Profit attributable to:</b>					
Owners of the Company		17,856	18,214	61,891	45,369
Non-controlling interests		822	(511)	1,990	(66)
		<b>18,678</b>	<b>17,703</b>	<b>63,881</b>	<b>45,303</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		17,578	18,152	59,357	42,430
Non-controlling interests		822	(511)	1,990	(66)
		<b>18,400</b>	<b>17,641</b>	<b>61,347</b>	<b>42,364</b>
<b>Earnings per ordinary share (sen)</b>					
- Basic	B14	11.20	13.37	38.83	33.29
- Diluted	B14	10.83	10.78	37.55	26.86

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

**QUARTERLY REPORT**

FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		<b>UNAUDITED AS AT 31.12.2019 RM'000</b>	<b>AUDITED AS AT 31.12.2018 RM'000</b>
	<b>Note</b>		
<b>ASSETS</b>			
Property, plant and equipment	A8	261,380	200,966
Investment property		7,217	7,455
Prepaid lease payments		-	14,288
Right of Use (ROU)		2,275	-
Investment in associate		1,009	-
Other investments		-	567
Deferred tax assets		-	515
<b>Total non-current assets</b>		<b>271,881</b>	<b>223,791</b>
Inventories		186,365	172,122
Trade and other receivables		172,298	170,927
Current tax assets		713	2,793
Fixed deposit with a licensed bank		-	30
Cash and cash equivalents		228,188	169,649
<b>Total current assets</b>		<b>587,564</b>	<b>515,521</b>
<b>TOTAL ASSETS</b>		<b>859,445</b>	<b>739,312</b>
<b>EQUITY</b>			
* Share capital		220,327	145,260
Reserves		357,249	349,588
<b>Total equity attributable to owners of the Company</b>		<b>577,576</b>	<b>494,848</b>
<b>Non-controlling interests</b>		<b>17,957</b>	<b>9,778</b>
<b>Total equity</b>		<b>595,533</b>	<b>504,626</b>
Long term borrowings		48,962	38,619
Deferred tax liabilities		9,765	4,853
<b>Total non-current liabilities</b>		<b>58,727</b>	<b>43,472</b>
Short term borrowings		91,698	88,307
Provision		-	150
Trade and other payables		111,177	101,867
Lease Liability		2,310	-
Current tax liabilities		-	890
<b>Total current liabilities</b>		<b>205,185</b>	<b>191,214</b>
<b>Total LIABILITIES</b>		<b>263,912</b>	<b>234,686</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>859,445</b>	<b>739,312</b>
<b>Net Assets per share attributable to the owners of the Company (RM)</b>		<b>3.13</b>	<b>3.63</b>

\* Total number of shares as at 31 December 2019 is 184,710,020

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

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FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company								Distributable Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Non-distributable											
	Share capital RM'000	Equity component of ICULS RM'000	Warrant reserve RM'000	Translation reserve RM'000	Fair Value reserve RM'000	Share Option reserve RM'000	Statutory reserve RM'000	Treasury shares RM'000				
<b>12 months year ended 31.12.2018</b>												
<b>At 1 January 2018, as previously reported</b>	143,905	13,320	14,374	20,133	-	-	4,141	-	270,380	466,253	9,850	476,103
Adjustment on initial application of MFRS 9, net of tax	-	-	-	-	-	-	-	-	(1,029)	(1,029)	-	(1,029)
<b>At 1 January 2018, restated</b>	143,905	13,320	14,374	20,133	-	-	4,141	-	269,351	465,224	9,850	475,074
Total comprehensive income for the period	-	-	-	(2,860)	-	-	-	-	43,682	40,822	(72)	40,750
Exercise of warrants	345	-	(104)	-	-	-	-	-	-	241	-	241
Convertible of ICULS	1,010	(505)	-	-	-	-	-	-	(468)	37	-	37
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(10,897)	(10,897)	-	(10,897)
Purchase of treasury shares	-	-	-	-	-	-	-	(579)	-	(579)	-	(579)
<b>At 31 December 2018</b>	<u>145,260</u>	<u>12,815</u>	<u>14,270</u>	<u>17,273</u>	<u>-</u>	<u>-</u>	<u>4,141</u>	<u>(579)</u>	<u>301,668</u>	<u>494,848</u>	<u>9,778</u>	<u>504,626</u>
<b>12 months year ended 31.12.2019</b>												
<b>At 1 January 2019</b>	145,260	12,815	14,270	17,273	-	-	4,141	(579)	301,668	494,848	9,778	504,626
Total comprehensive income for the period	-	-	-	(1,967)	-	-	-	-	61,891	59,924	1,990	61,914
Fair value of other investment	-	-	-	-	(567)	-	-	-	-	(567)	-	(567)
Exercise of warrants	46,465	-	(14,010)	-	-	-	-	-	-	32,455	-	32,455
Reversal of warrant reserve	-	-	(260)	-	-	-	-	-	-	(260)	-	(260)
Convertible of ICULS	25,635	(12,815)	-	-	-	-	-	-	(12,149)	671	-	671
Share Option Granted Under ESOS	-	-	-	-	-	2,914	-	-	-	2,914	-	2,914
Share issued pursuant to ESOS	2,273	-	-	-	-	-	-	-	-	2,273	-	2,273
Attributable option reserve transferred	694	-	-	-	-	(694)	-	-	-	-	-	-
Dissolve of subsidiary	-	-	-	-	-	-	-	-	84	84	-	84
Shares issued by a subsidiary and subscribed by non-controlling interests	-	-	-	-	-	-	-	-	-	-	6,189	6,189
Dividends to owners of the Company	-	-	-	-	-	-	-	-	(14,041)	(14,041)	-	(14,041)
Purchase of treasury shares	-	-	-	-	-	-	-	(725)	-	(725)	-	(725)
<b>At 31 December 2019</b>	<u>220,327</u>	<u>-</u>	<u>-</u>	<u>15,306</u>	<u>(567)</u>	<u>2,220</u>	<u>4,141</u>	<u>(1,304)</u>	<u>337,453</u>	<u>577,576</u>	<u>17,957</u>	<u>595,533</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

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FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	12 months ended	
	UNAUDITED 31.12.2019 RM'000	UNAUDITED 31.12.2018 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	75,930	53,646
Adjustments for:		
Depreciation of property, plant and equipment	23,056	18,749
Depreciation of investment property	238	238
Depreciation of Right of Use (ROU)	986	-
Amortisation of prepaid lease payments	-	272
Amortisation of intangible assets	169	9
(Gain)/Loss on disposal of property, plant and equipment	133	(142)
Written off of property, plant and equipment	6	204
Impairment loss on property, plant and equipment	321	3,384
Impairment loss on receivable	126	-
Interest income	(4,114)	(3,105)
Interest expense	4,390	3,484
Share option expense	410	-
Share of net profit of associate	(489)	-
Other payable written off	(52)	-
Non Cash item	(1)	-
Goodwill written off	49	-
Operating profit before changes in working capital	<u>101,158</u>	<u>76,739</u>
Changes in working capital:		
Trade and other receivables	(13,511)	8,277
Inventories	999	(28,536)
Trade and other payables	6,323	(27,677)
Cash generated from operations	<u>94,969</u>	<u>28,803</u>
Income taxes paid	(5,549)	(7,826)
<b>Net cash generated from operating activities</b>	<b><u>89,420</u></b>	<b><u>20,977</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(70,013)	(46,769)
Additions to prepaid lease payments	-	(73)
Proceeds from disposal of property, plant and equipment	165	355
Interest received	4,114	3,105
Dissolved company	(2)	-
Cash acquired under acquisition on subsidiary	890	-
Acquisition of associate	(520)	-
Share subscribed by non-controlling interests in a subsidiary	6,140	-
<b>Net cash used in investing activities</b>	<b><u>(59,226)</u></b>	<b><u>(43,382)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
ICULS interest paid	(728)	(1,286)
Dividend paid	(14,041)	(10,897)
Interest paid	(4,361)	(3,430)
Deposit refund	30	-
(Repayment)/proceed of finance lease liabilities	115	(499)
(Repayment)/proceed of lease liabilities	(950)	-
(Repayment)/proceed of term loans, net	19,098	28,484
Other bank borrowings, net	(3,635)	23,381
Proceeds from conversion of warrants	32,455	241
Proceeds from exercise of ESOS	2,273	-
Acquisition of treasury shares	(725)	(579)
<b>Net cash from/ (used in) financing activities</b>	<b><u>29,531</u></b>	<b><u>35,415</u></b>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>59,725</u>	<u>13,010</u>
Effects of exchange rate fluctuations on cash held	(248)	(351)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>167,654</u>	<u>154,916</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>227,131</u></b>	<b><u>167,575</u></b>
REPRESENTED BY:-		
Cash and bank balances	111,371	77,545
Short-term deposits	116,817	92,025
Bank overdrafts	(1,057)	(1,995)
	<b><u>227,131</u></b>	<b><u>167,575</u></b>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.



## PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

**A1 Basis of preparation**

This quarterly report is unaudited and is prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") No 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read together with the Group's audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes.

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group's consolidated audited financial statements for the financial year ended 31 December 2018, except for the adoption of the following as applicable:

Description	Effective date
MFRS16, Leases	1 January 19
IC Interpretation 23, Uncertainty over Income Tax Treatments	1 January 19
Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 19
Amendments to MFRS 9 Financial Instruments - Prepayment Features with Negative Compensation	1 January 19
Amendments to MFRS 11, Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 19
Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 19
Amendments to MFRS 119, Employee Benefits (Plan Amendments, Curtailment or Settlement)	1 January 19
Amendments to MFRS 123, Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 19
Amendments to MFRS 128, Investments in Associates and Joint Ventures - Long-term Interests in Associate and Joint Ventures	1 January 19

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the Malaysia Accounting Standard Board ("MASB") and are not yet effective for adoption by the Group.

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020**

Amendments to MFRS 3	Business Combination
Amendments to MFRS 7	Financial Instruments Disclosures - Interest Rate Benchmark Reform
Amendments to MFRS 9	Financial Instruments - Interest Rate Benchmark Reform
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement- Interest Rate Benchmark Reform

**MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021**

MFRS 17	Insurance Contracts
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**MFRSs, Interpretations and amendments effective for a date yet to be confirmed**

Amendments to MFRS 10	Consolidated Financial Statements
MFRS 128	Investment in Associates and Joint Ventures - Sale or Contribution by Assets between an Investor and its Associate or Joint Venture

The adoption of the above mentioned are not expected to have any material financial impact to the Group.

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**A2 Seasonal or cyclical factors**

The cyclical nature of the manufacturing sector is generally correlated to the global economy while seasonally demand will normally peak for the year end festive periods.

**A3 Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date as a consequence of their nature, size or incidence.

**A4 Changes in estimates**

There were no material changes in estimates of amount reported in either the prior interim period of the current financial year or prior financial years that have a material effect on the results during the current quarter and financial year-to-date.

**A5 Debt and equity securities**

On 3rd July 2019, the Company established an Employees' Share Option Scheme ('ESOS') that entitles eligible directors and employees of the Group ("Eligible Persons") to participate in the ordinary share capital of the Company. The share option scheme has a tenure of five (5) years which expires on 2nd July 2024. The Company granted a total of 22,500,000 share options to the Eligible Persons and 17,496,000 units has been accepted.

The following show the status of the options granted & vested during the 1 st year:

Date of Granted	03/07/2020
No. of Option Granted	22,500,000
No. of Option accepted	17,496,000
No. of vested and exercisable as at 7 August 2019	3,499,200
Exercise price/option	2.26
Fair Value/option	0.69
No. of option exercised	1,005,600
Balance of vested & exercisable as at 31 Dec 2019	2,493,600

**Treasury Shares**

During the quarter ended 31 December 2019, the total treasury shares stand at 472,000 units. There were no resale or purchase of treasury share during the reporting quarter.

**A6 Dividends paid**

There was no dividend paid in the quarter under review.

**A7 Segment information**

The Group's operations can be divided into two products based operating segments.

Segment information for the year ended 31 December 2019 are as follow:

	<u>Plastic and petroleum products</u> RM'000	<u>Food, beverages and other consumable products</u> RM'000	<u>Consolidated</u> RM'000
<b>2019</b>			
<b>Revenue</b>			
Revenue from external customers	872,090	62,982	935,072
<b>Segment profit</b>	74,353	1,577	75,930
Included in the measure of segment profit is:			
-Depreciation and amortisation	21,691	1,772	23,463
<b>Segment assets</b>	821,839	39,405	861,244
Included in the measure of segment assets is:			
-Capital expenditure	69,278	745	70,023

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Segment information for the year ended 31 December 2018 are as follow:

<u>2018</u>	<u>Plastic and petroleum products</u> RM'000	<u>Food, beverages and other consumable products</u> RM'000	<u>Consolidated</u> RM'000
<b>Revenue</b>			
Revenue from external customers	804,994	56,621	861,615
<b>Segment profit</b>	59,166	(5,520)	53,646
Included in the measure of segment profit is:			
-Depreciation and amortisation	17,009	2,259	19,268
<b>Segment assets</b>	692,429	45,713	738,142
Included in the measure of segment assets is:			
-Capital expenditure	56,251	686	56,937

**A8 Revaluation of property, plant and equipment**

Land and buildings of the Group have not been revalued since certain properties were first revalued in 1995. The Directors have not adopted a policy of regular revaluation of such assets. As permitted under the transitional provisions of International Accounting Standard No. 16 (Revised): Property, Plant and Equipment adopted by the Malaysian Accounting Standard Board, these assets are stated at their respective valuation less accumulated depreciation.

**A9 Material events subsequent to the end of the financial period**

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements as the date of this report.

**A10 Changes in the composition of the Group**

During the current reporting quarter, the Group dissolved one of its wholly owned subsidiary company, TG Uni'ang (Shanghai) International Trade Co. Ltd.

On 23rd October 2019, the Group incorporated a wholly owned subsidiary at Republic of the Union of Myanmar, TG Plaspack Myanmar Co., Ltd., with share capital of USD1,700,000.

**A11 Contingent liabilities**

The Company has provided financial support to certain subsidiaries to enable them to continue operating as a going concern.

**B1 Review of performance**

	<b>Individual quarter period</b>			<b>Variance %</b>
	<b>31.12.2019 RM'000</b>	<b>31.12.2018 RM'000</b>	<b>Variance RM'000</b>	
<b>Revenue</b>				
Plastic and petroleum products	214,512	206,397	8,115	3.9
Food, beverages and other consumable products	17,113	12,704	4,409	34.7
<b>Group</b>	<u>231,625</u>	<u>219,101</u>	<u>12,524</u>	<u>5.7</u>
<b>Profit/(Loss) before tax</b>				
Plastic and petroleum products	22,566	24,530	(1,964)	(8.0)
Food, beverages and other consumable products	(818)	(3,427)	2,609	76.1
<b>Group</b>	<u>21,748</u>	<u>21,103</u>	<u>645</u>	<u>3.1</u>

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	Cumulative period			
	31.12.2019 RM'000	31.12.2018 RM'000	Variance RM'000	Variance %
<b>Revenue</b>				
Plastic and petroleum products	872,090	804,994	67,096	8.3
Food, beverages and other consumable products	62,982	56,621	6,361	11.2
<b>Group</b>	<u>935,072</u>	<u>861,615</u>	<u>73,457</u>	<u>8.5</u>
<b>Profit/(Loss) before tax</b>				
Plastic and petroleum products	74,353	59,166	15,187	25.7
Food, beverages and other consumable products	1,577	(5,520)	7,097	128.6
<b>Group</b>	<u>75,930</u>	<u>53,646</u>	<u>22,284</u>	<u>41.5</u>

*Current Quarter - Revenue*

For the quarter ended 31 December 2019 (4Q19), the Group's plastic and petroleum segment registered a revenue of RM214.51 million as compared to RM206.40 million recorded in the corresponding quarter of 2018 (4Q18). The 3.9% increase for the plastic and petroleum products' segment revenue was due to the increase in sales volume of its stretch film, flexible packaging and courier bags. The sales of food, beverages and other consumable products recorded a revenue of RM17.11million as compared to corresponding quarter of 2018 of RM12.70million. The increase of RM4.40million was mainly contributed from its Thailand based operations.

*Current Quarter - Profit Before Tax (PBT)*

For the quarter ended 31 December 2019 (4Q19), the Group's plastic products division recorded a PBT of RM22.57million while its food, beverages and other consumable products division recorded a loss of RM0.82 million respectively as compared to a profits of RM24.53 million and a loss of RM3.42 million recorded in 4Q18.

The Improvement of profit before tax for the current quarter was mainly due to the lower losses and impairments at its food and beverage division.

*Cumulative Period - Revenue*

For the 12 months cumulative period, the Group recorded a growth in revenue of 8.3% or RM67.10 million for its plastic products division. The Group also achieved a 11.2% or RM6.36 million growth in its food, beverages and other consumable products division. The total revenue for the 12 months cumulative period is RM935.07 million, a growth of 8.5% as compared to the preceeding year's corresponding period of RM861.62 million. The increased in revenue was mainly contributed by the increase in export sales of its stretch film and courier bags.

*Cumulative Period - Profit before Tax (PBT)*

The Group's profit before tax for the 12 months cumulative period ended 31 December 2019 is RM74.35 million (2018: RM59.17 million) for its plastic products division while its food, beverages and other consumable products division recorded a profit of RM1.58 million (2018: loss of RM5.52 million).

The higher profit before tax for the 12 months cumulative period was mainly due to the increase in export of premium stretch films and courier bags. The strengthened JPY against the USD & CNY and the decrease in the prices of its major raw materials also strengthened the PBT.

For the food, beverages and other consumable products division, the increase in the profit before taxation was mainly due to the increase in sales of tea and coffee products.

**B2 Comparison with immediate preceding quarter's results**

	Individual quarter ended		Variance RM'000	Variance %
	31.12.2019 RM'000	30.09.2019 RM'000		
Revenue	231,625	256,547	(24,922)	(9.7)
Profit before tax (PBT)	21,748	23,180	(1,432)	(6.2)



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The lower revenue recorded as compared to the preceding quarter was mainly due to the decrease in the sales volume of its plastic products including stretch film and garbage bags as orders slowed in the month of December 2019.

The lower profit before taxation of RM21.75million as compared to RM23.18million is in line with the lower revenue recorded in the current quarter especially in December.

**B3 Prospect**

For the current quarter ended 31 December 2019, the Group is maintaining its momentum in sales growth as well as in profitability. The world economic condition is expected to continue to be challenging with the uncertainties created from the COVID-19 virus outbreak. This has affected the sales activities of the Group due to the travel restrictions. Despite this, the Group has been working hard and has concrete plans to look for new customers and markets for its products. It is also growing the local sales of its products.

The Group is scheduled to commission an additional premium stretch film line and a new blown film line from Germany in the 2Q & 3Q of FY2020. With the additional capacity coming on stream and the continued expansion of the other divisions, the Group is optimistic to continue its upward trend in sales volume and profitability.

Barring any unforeseen circumstances, the Group expects to continue its growth plans for all its business units.

**B4 Variance of actual profit from forecast profit**

Not applicable.

**B5 Results from operating activities**

Results from operating activities are arrived at:

	Individual quarter		Cumulative period	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
After charging:				
Bad debt written off	-	75	-	75
Goodwill written off	49	-	49	-
Depreciation of property, plant and equipment	6,311	4,783	23,056	18,749
Depreciation of investment property	35	60	238	238
Depreciation of right of use (ROU)	986	-	986	-
Amortisation of prepaid lease payments	-	33	-	237
Amortisation of intangible assets	169	-	169	9
Property, plant and equipment written off	-	-	6	203
Share option expenses	500	234	2,914	234
Loss on disposal of plant and equipment	58	-	243	-
Loss on disposal of cash fund	-	-	15	-
Impairment loss on receivables	126	-	143	-
Impairment loss on property, plant and equipment	321	2,384	321	3,384
Loss on foreign exchange				
- realised	-	(286)	-	2,527
- unrealised	163	-	-	-
and crediting:				
Gain on disposal of plant and equipment	110	64	110	143
Gain on disposal of cash fund	20	-	20	-
Gain on foreign exchange				
- realised	323	-	268	-
- unrealised	-	(1,271)	169	468
Reversal of impairment loss on receivables	-	-	15	12

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**B6 Income tax expense**

	Individual quarter		Cumulative period	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Income tax in respect of				
- Current period	1,490	1,478	7,355	4,235
- Prior year	(667)	1,325	(606)	1,494
Deferred taxation	2,247	597	5,300	2,614
	<u>3,070</u>	<u>3,400</u>	<u>12,049</u>	<u>8,343</u>

The Group's effective tax rate was lower than the statutory corporate tax rate due to the availability of certain tax incentives to certain subsidiary companies within the group.

**B7 Sale of unquoted investments and/or properties**

There were no sale of unquoted investments for the current financial quarter and financial period-to-date.

**B8 Quoted securities**

There were no purchases or disposals of quoted securities for the current financial quarter and financial period-to-date.

**B9 Status of corporate proposals announced**

There were no material corporate proposals announced and not completed as at date of this report.

**B10 Group borrowings and debt securities**

	<u>31.12.2019</u> <u>RM'000</u>
<b>Current</b>	
<b><u>Secured</u></b>	
Term loans	15,657
Finance lease liability	751
	<u>16,408</u>
<b><u>Unsecured</u></b>	
Term loans	5,120
Overdrafts	1,058
Bankers' acceptances	6,003
Onshore foreign currency loans	58,566
Foreign currency trust receipt	4,543
	<u>75,290</u>
	<u>91,698</u>
<b>Non-current</b>	
<b><u>Secured</u></b>	
Term loans	34,125
Finance lease liability	1,168
<b><u>Unsecured</u></b>	
Term loans	13,669
	<u>48,962</u>

The above borrowings are denominated in Ringgit Malaysia except for onshore foreign currency loans, secured and unsecured term loans and foreign currency trust receipt which are denominated in US Dollar or Euro.

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**B11 Disclosure of derivatives**

There were no derivatives in the quarter under review.

**B12 Changes in material litigation**

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

**B13 Proposed Dividends**

The Board of Directors proposes to recommend for shareholders' approval at the forthcoming Annual General Meeting a final single-tier dividend of 9 sen per ordinary share in respect of the financial year ended 31 December 2019, to be paid on a date to be determined.

**B14 Earnings per ordinary share****(a) Basic earnings per ordinary share**

Basic earnings per ordinary share amounts are calculated by dividing profit attributable to the ordinary equity shareholders by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company.

	Individual quarter		Cumulative period	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Profit attributable to ordinary equity owners of the Company (RM'000)	17,856	18,214	61,891	45,369
Weighted average number of ordinary share in issue (units'000)	159,404	136,276	159,404	136,276
Basic earnings per ordinary share (sen)	11.20	13.37	38.83	33.29

**(b) Diluted earnings per ordinary share**

	Individual quarter		Cumulative period	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Profit attributable to ordinary equity owners of the Company (RM'000)	17,856	18,214	61,891	45,369
Weighted average number of ordinary share in issue (units'000)	164,827	168,924	164,827	168,924
Diluted earnings per ordinary share (sen)	10.83	10.78	37.55	26.86

Any outstanding ICULS on its maturity date of 10 October 2019, has been automatically converted into new TGIB shares.

**B15 Auditors' report on preceding annual financial statements**

There were no qualification on the auditors' report of the Group's most recent annual audited financial statements.

**By Order of the Board**

**Dato' Ang Poon Chuan**  
**Managing Director**  
**DATED THIS 26 February 2020**