

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus ("AP") unless stated otherwise.

THIS AP IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY. If you have sold or transferred all your Tomypak Shares, you should at once hand this AP together with the NPA and RSF to the agent/ broker through whom you effected the sale or transfer for onward transmission to the purchaser or transferee. All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, Boardroom Corporate Services (KL) Sdn Bhd (3775-X) at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan.

A copy of this AP has been registered with the SC. The registration of this AP should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in this AP. The SC has not, in any way, considered the merits of the Rights Issue with Warrants. A copy of this AP, together with the NPA and RSF has also been lodged with the Companies Commission of Malaysia, who takes no responsibility for the contents of these documents.

Approval for the Rights Issue with Warrants has been obtained from our shareholders at our EGM held on 26 February 2016. Approval has also been obtained from Bursa Securities vide its letter dated 8 January 2016 for, amongst others, the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for the Rights Shares and the Warrants as well as the new Tomypak Shares to be issued arising from the exercise of the Warrants on the Main Market of Bursa Securities. The admission of the Warrants and the listing of and quotation for all the said new securities will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to them.

Neither the SC nor Bursa Securities takes any responsibility for the correctness of statements made or opinions expressed herein. Admission to the Official List of Bursa Securities and the listing of and quotation for the said new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants.

Our Board has seen and approved all the documentation relating to the Rights Issue with Warrants, including this AP, together with the NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make the statements in these documents false or misleading.

This AP together with the NPA and RSF are only despatched to our Entitled Shareholders who have provided our Share Registrar with a registered address in Malaysia and whose names appear on our Record of Depositors not later than 5.00 p.m. on 3 June 2016. This AP together with the NPA and RSF, are not intended to be issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia. Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue with Warrants would result in the contravention of any laws of such countries or jurisdictions. Neither Tomypak nor RHBIB shall accept any responsibility or liability in the event that any acceptance and/or renunciation made by the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) are or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

RHBIB, being the Principal Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this AP constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED, SEE "RISK FACTORS" AS SET OUT IN SECTION 6 HEREIN.



TOMYPAK HOLDINGS BERHAD

(Company No. 337743-W)

(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 54,733,775 NEW ORDINARY SHARES OF RM0.50 EACH IN TOMYPAK HOLDINGS BERHAD ("TOMYPAK SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING TOMYPAK SHARES HELD AT 5.00 P.M. ON 3 JUNE 2016, TOGETHER WITH UP TO 54,733,775 FREE DETACHABLE WARRANTS ("WARRANT(S)") ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED, AT AN ISSUE PRICE OF RM1.00 PER RIGHTS SHARE PAYABLE IN FULL UPON ACCEPTANCE

Principal Adviser



RHB Investment Bank Berhad

(Company No. 19663-P)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES

Entitlement date.....	:	Friday, 3 June 2016 at 5.00 p.m.
Last date and time for sale of provisional allotment of rights.....	:	Friday, 10 June 2016 at 5.00 p.m.
Last date and time for transfer of provisional allotment of rights.....	:	Wednesday, 15 June 2016 at 4.00 p.m.
Last date and time for acceptance and payment.....	:	Monday, 20 June 2016 at 5.00 p.m.*
Last date and time for excess application and payment.....	:	Monday, 20 June 2016 at 5.00 p.m.*

* or such later date and time as our Board may determine and announce not less than two (2) Market Days before the stipulated date and time.

This Abridged Prospectus is dated 3 June 2016

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this AP unless stated otherwise.

THIS AP HAS BEEN REGISTERED WITH THE SC. THE REGISTRATION OF THIS AP SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE RIGHTS ISSUE WITH WARRANTS OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE OR OPINION OR REPORT EXPRESSED IN THIS AP.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS AP, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS AP.

BURSA SECURITIES HAS APPROVED THE ADMISSION OF THE WARRANTS TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR THE RIGHTS SHARES, WARRANTS AND THE NEW TOMYPAK SHARES TO BE ISSUED PURSUANT TO THE EXERCISE OF THE WARRANTS ON THE MAIN MARKET OF BURSA SECURITIES AND THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE WITH WARRANTS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS AP ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

THE DISTRIBUTION OF THIS AP, TOGETHER WITH THE NPA AND RSF IS SUBJECT TO THE LAWS OF MALAYSIA. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF SUCH DOCUMENTS AND HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON SUCH DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THIS AP, TOGETHER WITH THE NPA AND RSF MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THIS AP, TOGETHER WITH THE NPA AND RSF HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS FOR THE RIGHTS ISSUE WITH WARRANTS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN SUCH DOCUMENTS.

DEFINITIONS

The following definitions shall apply throughout this Abridged Prospectus unless the context requires otherwise:

“Act”	: Companies Act, 1965
“Allocation”	: Allocation of ESOS Options to the executive Directors and non-executive Directors of Tomypak pursuant to the ESOS
“Amendment”	: Amendment to our Memorandum and Articles of Association pursuant to the Increase of Authorised Share Capital was completed on 26 February 2016
“AP”	: This Abridged Prospectus dated 3 June 2016
“BNM”	: Bank Negara Malaysia
“Board”	: Board of Directors of Tomypak
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (165570-W)
“Bursa Securities”	: Bursa Malaysia Securities Berhad (635998-W)
“CDS”	: Central Depository System
“CDS Account”	: A securities account established by Bursa Depository for a depositor to record the deposits or withdrawals of securities or for dealings in such securities by the depositor
“CMSA”	: Capital Markets and Services Act, 2007
“Code”	: Malaysian Code on Take-Overs and Mergers, 2010
“Corporate Exercises”	: Rights Issue with Warrants, ESOS, Allocation, Increase in Authorised Share Capital and Amendment, collectively
“Deed Poll”	: The deed poll executed by our Company on 18 May 2016 constituting the Warrants
“Director(s)”	: A natural person who holds a directorship in the Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 4 of the Act and Section 2(1) of the CMSA
“EBITDA”	: Earnings before interest, taxation, depreciation and amortisation
“EGM”	: Extraordinary General Meeting
“Eligible Person(s)”	: Eligible employees, executive Directors and non-executive Directors of Tomypak Group to be granted ESOS Options under the ESOS Scheme being those satisfying the conditions stipulated in By-Law 3.1
“Entitled Shareholder(s)”	: The shareholder(s) of Tomypak whose names appear in the Record of Depositors of Tomypak on the Entitlement Date for the Rights Issue with Warrants
“Entitlement Date”	: 3 June 2016 at 5.00 p.m., being the date and time on which the Entitled Shareholders must appear on Tomypak’s Record of Depositors with Bursa Depository in order to be entitled to participate in the Rights Issue with Warrants
“EPS”	: Earnings per Share

DEFINITIONS (Cont'd)

"ESOS"	:	Employees' Share Option Scheme of up to fifteen percent (15%) of the prevailing issued and paid-up ordinary share capital of Tomypak (excluding treasury shares) for the Eligible Persons to be implemented after the completion of the Rights Issue with Warrants
"ESOS Option(s)"	:	The right of a Grantee to subscribe for new Tomypak Shares pursuant to the contract constituted by the acceptance of an Offer by an Eligible Person in the manner specified in By-Law 6
"Excess Rights Shares with Warrants"	:	Rights Shares with Warrants which are not taken up or not validly taken up by the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) prior to excess application pursuant to the Rights Issue with Warrants
"FPE"	:	Financial period ended
"FYE"	:	Financial year ended/ ending
"GST"	:	Malaysian Goods and Services Tax
"Increase in Authorised Share Capital"	:	Increase in the authorised share capital of Tomypak from RM100,000,000 comprising 200,000,000 Shares to RM250,000,000 comprising 500,000,000 Shares was completed on 26 February 2016
"LHS"	:	Lim Hun Swee
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities
"LPD"	:	18 May 2016, being the latest practicable date prior to the issuance of this AP
"Market Day(s)"	:	Any day between Mondays and Fridays (inclusive), excluding public holidays, and a day on which Bursa Securities is open for trading of securities
"Maximum Scenario"	:	Assuming all the existing shareholders of Tomypak subscribe for their entitlements pursuant to the Rights Issue with Warrants
"MFRS 2"	:	Malaysian Financial Reporting Standard 2 – Share-based Payment
"Minimum Scenario"	:	Assuming only the Undertaking Shareholders subscribe for their respective entitlements, collectively amounting to 27,588,801 Rights Shares pursuant to the Rights Issue with Warrants
"Minimum Subscription Level"	:	A minimum subscription basis based on the undertakings from the Undertaking Shareholders to subscribe in full for their respective entitlements in the Rights Shares arising from the Rights Issue with Warrants
"NA"	:	Net assets
"New Orient"	:	New Orient Resources Sdn Bhd (1109740-K)
"NPA"	:	Notice of Provisional Allotment dated 3 June 2016 issued by Tomypak, notifying the Entitled Shareholders that his/ her provisional allotment of Rights Shares has been credited into his or her CDS Account

DEFINITIONS (Cont'd)

“Offer Date”	: The date on which an Offer is made to an Eligible Person to participate in the ESOS by the ESOS Committee which shall fall on any date within the grant period
“Option Price”	: The price at which a Grantee shall be entitled to subscribe for each new Tomypak Share as set out in By-Law 7
“PAC(s)”	: Parties acting in concert pursuant to Sections 216(2) and 216(3) of the CMSA
“PAT”	: Profit after taxation
“PBT”	: Profit before taxation
“Provisional Allotment”	: Rights Shares with Warrants provisionally allotted to the Entitled Shareholders and/or their renouncee(s) (if applicable) pursuant to the Rights Issue with Warrants
“Record of Depositors”	: A record of depositors established by Bursa Depository under the Rules of Bursa Depository
“RHBIB” or the “Principal Adviser”	: RHB Investment Bank Berhad (19663-P)
“Rights Issue with Warrants”	: Renounceable rights issue of up to 54,733,775 Tomypak Shares on the basis of one (1) Rights Share for every two (2) existing Tomypak Shares held on the Entitlement Date, together with up to 54,733,775 Warrants on the basis of one (1) Warrant for every one (1) Rights Share subscribed, at an issue price of RM1.00 per Rights Share payable in full upon acceptance
“Rights Share(s)”	: New Tomypak Shares to be issued pursuant to the Rights Issue with Warrants
“RM” and “sen”	: Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
“RSF”	: Rights Subscription Form issued by Tomypak, which is to be used by the Entitled Shareholders, renouncee(s) and other permitted investors to subscribe or accept the Provisional Allotment
“Rules of Bursa Depository”	: Rules of a central depository as defined in the Securities Industry (Central Depository) Act, 1991
“SC”	: Securities Commission Malaysia
“Tan Sri Arshad”	: Tan Sri Dato' Seri Arshad Bin Ayub
“TERP”	: Theoretical ex-rights price
“Tomypak” or the “Company”	: Tomypak Holdings Berhad (337743-W)
“Tomypak Group” or the “Group”	: Tomypak and its subsidiaries, collectively
“Tomypak Share(s)” or “Share(s)”	: Ordinary share(s) of RM0.50 each in Tomypak
“Undertaking Shareholders”	: New Orient, LHS, Tan Sri Arshad and Zalaraz, collectively

DEFINITIONS (Cont'd)

“WAMP”	:	Weighted average market price
“Warrant(s)”	:	Free detachable warrant(s) to be issued pursuant to the Rights Issue with Warrants
“Zalaraz”	:	Zalaraz Sdn Bhd (117907-W)

Any reference to “our Company” and “Tomypak” in this AP are to Tomypak Holdings Berhad, references to “our Group” is to our Company and our subsidiaries and references to “we”, “us”, “our” and “ourselves” in this AP are to our Company and, save where the context requires otherwise, our subsidiaries. All references to “you” in this AP are to our Entitled Shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this AP to any statute is a reference to that statute as for the time being amended or re-enacted.

Any reference to a time of day in this AP shall be a reference to Malaysian time, unless otherwise specified.

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by our Company such as quarterly results and annual reports, are due to rounding.

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Address	Nationality	Occupation
Tan Sri Dato' Seri Arshad Bin Ayub <i>(Chairman, Independent Non-Executive Director)</i>	25, Jalan Permata 7/1 40000 Shah Alam Selangor	Malaysian	Company Director
Lim Hun Swee <i>(Managing Director)</i>	1189 Jalan Mewah Bandar Putra 81000 Kulai Johor	Singaporean	Company Director
Tan See Yin <i>(Executive Director)</i>	60 Jalan SS3/72 47300 Petaling Jaya Selangor	Malaysian	Company Director
Yong Kwet On <i>(Non-Independent Non-Executive Director)</i>	32-2 Izen Kiara 2 Jalan Kiara Mont Kiara 50480 Kuala Lumpur	Malaysian	Company Director
Chin Cheong Kee @ Chin Song Kee <i>(Independent Non-Executive Director)</i>	30 Jalan Jingga Taman Pelangi 80400 Johor Bahru Johor	Malaysian	Company Director
To' Puan Rozana Binti Tan Sri Redzuan <i>(Independent Non-Executive Director)</i>	12 Lorong Taman Pantai 2 Taman Bukit Pantai 59100 Kuala Lumpur	Malaysian	Company Director

AUDIT COMMITTEE

Name	Designation	Directorship
Tan Sri Dato' Seri Arshad Bin Ayub	Chairman	Chairman, Independent Non-Executive Director
Chin Cheong Kee @ Chin Song Kee	Member	Independent Non-Executive Director
To' Puan Rozana Binti Tan Sri Redzuan	Member	Independent Non-Executive Director

CORPORATE DIRECTORY (Cont'd)

- HEAD/ MANAGEMENT OFFICE** : 11, Jalan Tahana
Kawasan Perindustrian Tampoi
80350 Johor Bahru
Johor Darul Ta'zim

Tel: (607) 237 8585
Fax: (607) 237 8575
Email: investor@tomypak.com.my

Website: www.tomypak.com.my
- REGISTERED OFFICE** : Suite 7E, Level 7, Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Ta'zim

Tel : (607) 224 1035
Fax : (607) 221 0891
- COMPANY SECRETARIES** : Ang Mui Kiow (LS0001886)
Tai Yit Chan (MAICSA 7009143)
Boardroom Corporate Services (Johor) Sdn Bhd
Suite 7E, Level 7, Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Ta'zim

Tel : (607) 224 1035
Fax : (607) 221 0891
- SHARE REGISTRAR** : Boardroom Corporate Services (KL) Sdn Bhd
(3775-X)
Lot 6.05, Level 6
KPMG Tower, 8 First Avenue
Bandar Utama, 47800 Petaling Jaya
Selangor Darul Ehsan

Tel : (603) 7720 1188
Fax : (603) 7720 1111
- AUDITORS AND
REPORTING ACCOUNTANTS** : KPMG (AF 0758)
Level 14, Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Ta'zim

Tel : (607) 224 2870
Fax : (607) 224 8055
- DUE DILIGENCE SOLICITORS** : Foong & Partners
13-1, Menara 1MK, Kompleks 1 Mont' Kiara
1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur

Tel : (603) 6419 0822
Fax : (603) 6419 0823

CORPORATE DIRECTORY (Cont'd)

PRINCIPAL BANKERS

: HSBC Bank Malaysia Berhad (127776-V)
No. 1, Jalan Bukit Timbalan
80000 Johor Bahru
Johor Darul Ta'zim

Tel : (607) 219 8430
Fax : (607) 224 4024

RHB Bank Berhad (6171-M)
Lot No. J1-22 & J2-31, Level 1 & 2
Johor Bahru City Square
106 & 108, Jalan Wong Ah Fook
80000 Johor Bahru
Johor Darul Ta'zim

Tel : (607) 221 1734
Fax : (607) 224 1264

United Overseas Bank (Malaysia) Berhad (271809-K)
Lot 1-23, Johor Bahru City Square
106-108, Jalan Wong Ah Fook
80000 Johor Bahru
Johor Darul Ta'zim

Tel : (607) 219 6342
Fax : (607) 224 3706

PRINCIPAL ADVISER

: RHB Investment Bank Berhad (19663-P)
Level 9, Tower One, RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur

Tel: (603) 9287 3888
Fax: (603) 9287 2233/ 3355

STOCK EXCHANGE LISTING

: Main Market of Bursa Securities

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TOMYPAK HOLDINGS BERHAD
(Company No. 337743-W)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office
Suite 7E, Level 7
Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor Darul Ta'zim

3 June 2016

The Board of Directors

Tan Sri Dato' Seri Arshad Bin Ayub (*Chairman, Independent Non-Executive Director*)
Lim Hun Swee (*Managing Director*)
Tan See Yin (*Executive Director*)
Yong Kwet On (*Non-Independent Non-Executive Director*)
Chin Cheong Kee @ Chin Song Kee (*Independent Non-Executive Director*)
To' Puan Rozana Binti Tan Sri Redzuan (*Independent Non-Executive Director*)

To: The Entitled Shareholders of Tomypak Holdings Berhad

Dear Sir/ Madam,

RIGHTS ISSUE WITH WARRANTS

1. INTRODUCTION

On 1 December 2015, RHBIB had, on behalf of our Board, announced that our Company proposed to undertake the following:

- (i) Rights Issue with Warrants;
- (ii) ESOS;
- (iii) Allocation;
- (iv) Increase in Authorised Share Capital; and
- (v) Amendment.

On 11 January 2016, RHBIB had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 8 January 2016, approved the following:

- (i) listing of up to 54,733,775 Rights Shares to be issued pursuant to the Rights Issue with Warrants;
- (ii) admission to the Official List and the listing of up to 54,733,775 Warrants to be issued pursuant to the Rights Issue with Warrants;
- (iii) listing of up to 54,733,775 new Tomypak Shares to be issued arising from the exercise of the Warrants; and

- (iv) listing of such number of additional new Tomypak Shares, representing up to fifteen percent (15%) of the prevailing issued and paid-up ordinary share capital of Tomypak (excluding treasury shares), to be issued pursuant to the ESOS.

The approval granted by Bursa Securities for the Corporate Exercises is subject to the following conditions:

Conditions	Status of compliance
(i) Tomypak and RHBIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Corporate Exercises;	Noted and to be complied.
(ii) Tomypak and RHBIB to inform Bursa Securities upon completion of the Corporate Exercises;	To be complied.
(iii) Tomypak to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Corporate Exercises are completed;	To be complied.
(iv) Tomypak to furnish Bursa Securities with a certified true copy of the resolutions passed by the shareholders at an extraordinary general meeting for the Corporate Exercises;	Complied.
(v) in respect of the ESOS, RHBIB is required to submit a confirmation to Bursa Securities of full compliance of the ESOS pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation; and	To be complied.
(vi) payment of additional listing fees pertaining to the exercise of Warrants and ESOS Options, if relevant. In this respect, Tomypak is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of the Warrants and ESOS respectively as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

Our Board is pleased to inform you that, at the EGM held on 26 February 2016, our shareholders had approved the Corporate Exercises. A certified true extract of the resolutions pertaining to the Corporate Exercises which were passed at the said EGM, is set out in Appendix I of this AP.

On 20 May 2016, RHBIB had on behalf of our Board announced the Entitlement Date and other relevant dates pertaining to the Rights Issue with Warrants.

The listing of and quotation for the Rights Shares and Warrants to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

While our Board invites your participation in the Rights Issue with Warrants, you are advised to refer to the Risk Factors as disclosed in Section 6 of this AP in making your investment decision.

No person is authorised to give any information or make any representation not contained herein in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or RHBIB.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Particulars of the Rights Issue with Warrants

The Rights Issue with Warrants entails an issuance of up to 54,733,775 new Tomypak Shares on the basis of one (1) Rights Share for every two (2) existing Tomypak Shares held on the Entitlement Date, together with up to 54,733,775 Warrants on the basis of one (1) Warrant for every one (1) Rights Share subscribed, at an issue price of RM1.00 per Rights Share, by the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable).

As at the LPD, the issued and paid-up share capital of Tomypak is RM54,733,775 comprising 109,467,550 Tomypak Shares, and there is no treasury shares held by Tomypak. A total of 54,733,775 Rights Shares together with 54,733,775 Warrants will be issued in the event all the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) fully subscribe for their entitlements under the Rights Issue with Warrants. In addition, a total of 54,733,775 new Tomypak Shares will be issued upon the full exercise of the Warrants.

The Rights Shares will be provisionally allotted to the shareholders of Tomypak whose names appear in the Record of Depositors of our Company on the Entitlement Date.

The Warrants which are exercisable into new Tomypak Shares, are attached to the Rights Shares without any cost and will be issued only to the Entitled Shareholders who subscribe for the Rights Shares. Each Warrant will entitle its holder to subscribe for one (1) new Tomypak Share at an exercise price of RM2.29 per Warrant. The Warrants will be immediately detached from the Rights Shares upon issuance and will be separately traded. The Warrants will be issued in registered form and constituted by the Deed Poll.

The entitlements for the Rights Shares and the Warrants are renounceable in full or in part. Accordingly, the renunciation of the Rights Shares by the Entitled Shareholders will consequently result in the renunciation of the Warrants as the Warrants are issued together with the Rights Shares pursuant to the Rights Issue with Warrants. The Rights Shares and the Warrants cannot be renounced separately. If an Entitled Shareholder decides to subscribe for only part of his Rights Shares entitlements, such Entitled Shareholder shall then be entitled to the Warrants in the proportion to the Rights Shares subscribed by him.

The Rights Shares which are not taken up or validly taken up shall be made available for excess applications by the Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable). It is the intention of our Board to allocate the excess Rights Shares with Warrants in a fair and equitable manner on a basis as set out in Section 11.8 of this AP.

Any fractional entitlement of the Rights Shares and Warrants under the Rights Issue with Warrants will be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem expedient or in the best interests of our Company.

As you are an Entitled Shareholder and the Tomypak Shares are prescribed securities, your CDS Account will be duly credited with the number of provisionally allotted Rights Shares together with the Warrants which you are entitled to subscribe in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed in this AP, a NPA notifying you of the crediting of such securities into your CDS Account and a RSF to enable you to subscribe for the Rights Shares with Warrants provisionally allotted to you, as well as to apply for Excess Rights Shares with Warrants if you so choose to.

Any dealing in our securities will be subject to, *inter-alia*, the provisions of the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the Rights Shares with Warrants will be credited directly into the respective CDS Accounts of the successful applicants. No physical share or warrant certificates will be issued but notices will be despatched to the successful applicants.

We will allot and issue Rights Shares with Warrants, despatch notices of allotment to the allottees and make an application for the quotation of the Rights Shares and Warrants within eight (8) Market Days from the last date for acceptance and payment for the Rights Shares with Warrants. The Rights Shares and Warrants will then be listed and quoted on the Main Market of Bursa Securities two (2) Market Days after the application for quotation is made to Bursa Securities.

2.2 Basis of determining and justification for the issue price of the Rights Shares and the exercise price of the Warrants

(i) Issue price of the Rights Shares

Our Board had resolved to fix the issue price of the Rights Shares at RM1.00 per Rights Share on 24 November 2015, representing as follows:

	A	B	A – B	
	RM	Issue price per Rights Share (RM)	Discount RM	%
(a) TERP ⁽¹⁾⁽²⁾	2.29	1.00	1.29	56.33
(b) five (5)-day WAMP *	2.55	1.00	1.55	60.78

Notes:

(1) TERP is derived from:

$$\frac{\text{Market value of two (2) Tomypak Shares based on the WAMP* + Issue price for one (1) Rights Share}}{\text{Three (3) Tomypak Shares (being the total number of Tomypak Shares held and subscribed pursuant to the Rights Issue with Warrants)}}$$

(2) Based on the five (5)-day WAMP of Tomypak Shares up to and including 23 November 2015, being the latest practicable date prior to the announcement of the Corporate Exercises of RM2.93.

* WAMP is calculated by adding up the trading of every transaction (price x shares traded) and then dividing by the total shares traded for the day throughout the five (5) days period.

It is the intention of our Board to ensure the Rights Issue with Warrants is attractive to entice the Entitled Shareholders to subscribe for their respective entitlements to enable our Company to raise funds in addition to the amount to be raised under the Minimum Subscription Level. Our Board is of the view that the issue price of RM1.00 per Rights Share is reasonably attractive to achieve the aforementioned intention.

The discount for the issue price of the Rights Shares was determined after taking into consideration the following:

(i) Twelve (12) months historical share price performance of Tomypak Shares:

	A	B	A – B	
	RM	Issue price per Rights Share (RM)	Discount RM	%
(a) TERP ⁽¹⁾⁽²⁾	1.69	1.00	0.69	40.83

(b) the lowest and highest traded price of Tomypak Shares of RM1.20 and RM2.95, respectively, for the past twelve (12) months up to 24 November 2015.

Notes:

- (1) Please refer to Section 2.2(i) of this AP for the TERP computation formula.
- (2) Based on the twelve (12) months WAMP* of Tomypak Shares up to 24 November 2015 of RM2.03.
- * WAMP is calculated by adding up the trading of every transaction (price x shares traded) and then dividing by the total shares traded for the day throughout the twelve (12) months period.

- (ii) our Board is of the view that this discount will provide the existing shareholders with an attractive opportunity to further increase their equity participation in our Company at a discount to the prevailing market price of Tomypak Shares; and
- (iii) the funding requirements of Tomypak Group as set out in Section 4 of this AP.

(ii) Exercise price of the Warrants

Our Board has fixed the exercise price of the Warrants at RM2.29 per Warrant, representing a discount of approximately RM0.16 or 6.27% to the five (5)-day WAMP of Tomypak Shares up to and including the LPD of RM2.55.

The exercise price of RM2.29 has been arrived at after taking into consideration the following:

- (i) the TERP⁽¹⁾ of RM2.29 based on the five (5)-day WAMP of Tomypak Shares up to and including 23 November 2015, being the latest practicable date prior to the announcement of the Corporate Exercises, of RM2.93; and
- (ii) the future prospects of Tomypak Group as set out in Section 7.3 of this AP.

Note:

- (1) Please refer to Section 2.2(i) of this AP for the TERP and WAMP computation formula.

Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) should note that the market price of our Shares is subject to occurrence of market forces and other uncertainties in addition to the risk factors as set out in Section 6 of this AP, which may affect the price of our Shares being traded. Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) should form their own views on the valuation of the Rights Shares and Warrants before deciding to invest in the Rights Issue with Warrants.

2.3 Ranking of the Rights Shares and new Tomypak Shares to be issued from the exercise of Warrants

The Rights Shares and new Tomypak Shares to be issued arising from the exercise of Warrants shall, upon issuance and allotment, rank *pari passu* in all respects with the existing Tomypak Shares, save and except that they will not be entitled to any dividend, rights, allotment and/or any other distribution that may be declared, made or paid to shareholders, the entitlement date of which is prior to the allotment date of the Rights Shares and new Tomypak Shares to be issued pursuant to the exercise of the Warrants, respectively.

2.4 Principal terms of the Warrants

The principal terms of the Warrants to be issued pursuant to the Rights Issue with Warrants are set out as follows:

- Issue size : Up to 54,733,775 Warrants to be issued in conjunction with the Rights Issue with Warrants to the entitled shareholders on the basis of one (1) Warrant for every one (1) Rights Share successfully subscribed
- Form and Denomination : The Warrants, which are issued with the Rights Shares, will be immediately detached upon issue and separately traded. The Warrants will be issued in registered form and constituted by the Deed Poll
- Exercise Rights : Each Warrant entitles the holder to subscribe for one (1) new Share at the Exercise Price at any time during the Exercise Period, subject to adjustments in accordance with the provisions of the Deed Poll
- Exercise Period : The Warrants shall be exercisable into new Shares on any market day within a period from the date of issue of the Warrants up to and including the close of the market day on the date falling five (5) years from the date of issue of the Warrants. Any Warrants not exercised during the aforesaid exercise period will thereafter lapse and become void
- Exercise Price : The exercise price of the Warrants has been fixed at RM2.29 per Warrant subject to further adjustments in accordance with the provisions of the Deed Poll
- Expiry Date : The day which is the fifth (5th) anniversary of the date of issue of the Warrants (but if that day is not a market day, it shall be the immediate preceding market day)
- Mode of exercise : The Warrant holders are required to lodge a subscription form, as set out in the Deed Poll, with the Company's share registrar, duly completed, signed and stamped together with payment of the Exercise Price by banker's draft or cashier's order drawn on a bank operating in Malaysia or a money order or postal order issued by a post office in Malaysia
- Board lot : A board lot for the Warrants shall be one hundred (100) Warrants (or such denomination as may be determined by Bursa Securities) carrying the right at the date of issue to subscribe for one hundred (100) new Shares
- Listing status : The approval from Bursa Securities has been obtained for the admission of the Warrants to the official list of Bursa Securities, and for the listing of and quotation for the Warrants and the new Shares to be issued upon exercise of the Warrants
- Ranking of new Tomypak Shares arising from the exercise of the Warrants : The new Shares to be issued arising from the exercise of the Warrants shall, upon issuance and allotment, rank pari passu in all respects with the then existing Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, in respect of which the entitlement date is before the allotment date of the new Shares
- Rights of Warrant holder(s) to participate in any distributions and/or offers of further securities : The Warrant holder is not entitled to vote in any general meeting of the Company or to participate in any distribution and/or offer of further securities in the Company unless and until the Warrant holder becomes a shareholder by exercising his/her Warrants into new Tomypak Shares

- Rights in the event of winding up, liquidation, compromise and/or arrangement : If a resolution is passed for a members' voluntary winding-up of the Company or if a court order approving a scheme of compromise or arrangement made pursuant to Section 176 of the Act is granted, then:
- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrant holders or some person designated by them for such purpose by special resolution shall be a party, the terms of such scheme of arrangement shall be binding on all the Warrant holders;
 - (ii) in any other case, every Warrant holder shall, within six (6) weeks after the passing of such resolution for a members' voluntary winding-up or within six (6) weeks after the granting of the court order approving the compromise or arrangement (but in both cases, not later than the end of the exercise period for the Warrants), by delivery to the Company of a duly completed subscription form together with the relevant Exercise Price in the manner described in the Deed Poll, be entitled to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the rights represented by such Warrants to the extent specified in the subscription form and had on such date been the holder of Shares to which he would have become entitled pursuant to such exercise, and the liquidator of the Company shall give effect to such election accordingly; and
- subject to conditions (i) and (ii) above, if the Company is wound up (other than by way of a members' voluntary winding up), all exercise rights which have not been exercised prior to the date of commencement of the winding up shall lapse and the Warrants will cease to be valid for any purpose
- Modifications to the terms of the Warrants : Tomypak may make any modification to the Deed Poll if, in the opinion of the approved investment bank, such modification, addition or deletion will not be materially prejudicial to the interests of the Warrant holders, or is to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia or any requirements of the relevant regulatory authority upon consultation with legal advisers
- Adjustments in the Exercise Price and/or number of Warrants : The Exercise Price of the Warrants, and the number of Warrants may from time to time be adjusted, calculated or determined by the Directors of Tomypak in consultation with the advisers and certified by the auditors in accordance with the provisions of the Deed Poll, in the event of consolidation or subdivision, capital distribution or issue of shares or any other events
- Deed Poll : The deed poll executed by our Company on 18 May 2016 constituting the Warrants
- Governing law : Laws and regulations of Malaysia
- Transferability : The Warrants are transferable in the manner provided by the Central Depositories Act and the Rules and shall be transferable in lots entitling the holders to subscribe for whole number of new Shares and so that no person shall be recognised by the Company as having title to the Warrants entitling the holder thereof to subscribe for a fractional part of a new Share or otherwise than as the sole or joint holder of the entirety of such new Share

3. RATIONALE AND JUSTIFICATIONS FOR THE RIGHTS ISSUE WITH WARRANTS

After due consideration of the various funding options available to our Company, our Board is of the opinion that the Rights Issue with Warrants is the most appropriate avenue of fund raising for Tomypak, taking into consideration the following:

- (i) the Rights Issue with Warrants will enable our Company to immediately raise the requisite funds for our Group for purposes of the proposed utilisation as set out in Section 4 of this AP;
- (ii) the Rights Issue with Warrants will enable our Company to raise funds without incurring interest costs as compared to bank borrowings; and
- (iii) the Warrants to be issued pursuant to the Rights Issue with Warrants will provide our shareholders with an incentive to subscribe for the Rights Shares. Subject always to the equity market sentiments and conditions, the Entitled Shareholders may also benefit from the potential capital appreciation of the Warrants. The Warrants will allow the Entitled Shareholders to increase their equity participation in our Company at a predetermined price over the tenure of the Warrants. Notwithstanding the potential dilution on the EPS arising from the exercise of the Warrants, our Company would also be able to raise further proceeds as and when any of the Warrants are exercised.

Further details on the utilisation of the proceeds to be raised from the exercise of the Warrants and effects to the EPS are set out in Sections 4 and 8.3 of this AP, respectively.

Our Board envisages that Tomypak Group will incur approximately RM82.21 million to embark on the expansion project involving the construction of a new factory building on the purchased land in Senai and purchase of new machineries, equipment and other ancillary facilities to be installed in our existing factory and the said new factory building. The Rights Issue with Warrants is expected to raise gross proceeds of at least RM27.59 million under the Minimum Subscription Level whilst the balance will be funded from internally generated funds and/or bank borrowings.

The major costs components for the expansion project include, amongst others, the following:

	(RM'000)
Building costs (excluding cost of land)	29,328
Site clearing and earthwork	3,115
Mechanical and electrical system	2,500
Machineries and equipment	45,266
Others (such as moving cost, machineries set-up cost and wiring of machineries and equipment)	2,000
Total	<u>82,209</u>

Based on the latest unaudited financial results of Tomypak Group as at 31 March 2016, the cash and cash equivalents stood at RM17.25 million, all of which are unencumbered. Tomypak Group intends to utilise the available cash flow to fund our day-to-day working capital requirements and to partially fund the abovementioned expansion project. Any shortfall between the expansion project total cost and the cash in hand and proceeds to be raised from the Rights Issue with Warrants will be funded via bank borrowings.

Please refer to Section 4 of this AP for further details on the aforementioned expansion project.

4. UTILISATION OF PROCEEDS

Based on the issue price of the Rights Shares at RM1.00 per Rights Share, the Rights Issue with Warrants is expected to raise gross proceeds of RM27.59 million and RM54.73 million under the Minimum Scenario and Maximum Scenario, respectively. The proceeds are expected to be utilised in the following manner:

	Minimum Scenario	Maximum Scenario	Expected timeframe for the utilisation of proceeds
	RM'000	RM'000	
Construction of a new factory building ⁽¹⁾	16,989	33,366	Within twenty-four (24) months from the date of receipt of the proceeds
Purchase of machineries, equipment and other ancillary facilities ⁽²⁾	5,000	15,768	Within twenty-four (24) months from the date of receipt of the proceeds
Working capital ⁽³⁾	5,000	5,000	Within twelve (12) months from the date of receipt of the proceeds
Estimated expenses in relation to the Corporate Exercises ⁽⁴⁾	600	600	Within six (6) months from the date of receipt of the proceeds
Total	27,589	54,734	

Notes:

- (1) *As part of our business expansion plan, we will focus on improvements on our existing production capacities through investments into new and more advanced production machineries to achieve higher output, automation and better efficiencies. We continue to improve our production process by sourcing of new materials, creation of new formulations, designs, customisation and innovative products to meet the current and future needs of our growing clientele and to allow our Group to cater to more new markets.*

The construction of a new factory building on a land purchased from third party located in Mukim Senai, District of Kulajaya, State of Johor, with a total built-up area of approximately 265,335 square feet will complement our existing factory (total built-up area of approximately 150,000 square feet) is to house our Group's new production facilities. The title of the purchased land was transferred to Tomypak Flexible Packaging Sdn Bhd, our wholly-owned subsidiary in February 2015. The construction of the new factory building is expected to be completed in the fourth (4th) quarter of 2016 whilst the certificate of completion and compliance is expected to be obtained within two (2) months from thereon.

Presently, our Group is operating at production capacity of approximately 70% with seven (7) production lines in our existing factory building. With the planned additional one (1) production line which will be located in the said new factory building, our Group expects to increase our production capacity to approximately 80% (i.e. from 19,200 metric tons per annum to 24,960 metric tons per annum) of packing products.

The new production facilities will be equipped with advanced machineries and equipment for flexible food packaging material to improve efficiencies by reducing processing time, production processes and material wastages. The critical feature of the new production facilities will be the enhanced multiple-proof colour capability which makes the production processes faster than our existing machineries and equipment.

The construction of a new factory building will include, amongst others, a larger Research and Development ("R&D") department to complement our existing R&D facility in the current factory. The new R&D department with larger physical space will be equipped with the latest computerised testing equipment and is able to accommodate more R&D staff for inspection and quality control purpose. In addition, Tomypak also intends to shift certain existing machineries and equipment housed in the existing factory to the new factory building.

Tomypak Group intends to utilise part of the proceeds raised for the construction of a new factory building which include, amongst others, the following:

	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)
<i>Building costs (excluding cost of land) (such as building materials, consultation fees for engineering and architectural and labour costs)</i>	11,520	26,915
<i>Site clearing and earthwork</i>	3,000	3,000
<i>Others (such as mechanical and electrical system – heating and ventilation systems, power supply and distribution and telecommunications)</i>	2,469	3,451
Total	16,989	33,366

- (2) Our Group intends to utilise part of the proceeds raised in the following manner:

	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)
<i>Machineries and equipment to expand our packaging businesses. Such machineries and equipment include, amongst others, advanced printing machine, advanced extrusion lamination machine and slitting machine</i>	3,200	11,500
<i>Other ancillary facilities such as resin mixer, paper cutter, oven, hydraulic lifter, tester and forklift</i>	1,800	4,268
Total	5,000	15,768

The aforementioned machineries and equipment to be purchased are intended to be installed in our existing factory as well as the new factory. We have identified and placed order for some of the machineries and equipment with expected delivery time of between December 2016 and January 2017.

- (3) The details on working capital utilisation are as follows:

	Minimum Scenario (RM'000)	Maximum Scenario (RM'000)
<i>Purchase of raw materials such as plastic resin, aluminium foil, plastic film, printing ink and carton boxes</i>	3,500	3,500
<i>Labour cost and factory overhead</i>	1,500	1,500
Total	5,000	5,000

The actual utilisation for each component of working capital may differ at the time of utilisation.

- (4) The expenses relating to the Corporate Exercises comprising professional fees, fees payable to the relevant authorities and other related expenses are estimated to be at RM600,000. Any shortfall or excess in funds allocated for estimated expenses will be funded from or used for the working capital of Tomypak Group.

Pending utilisation of the proceeds from the Rights Issue with Warrants for the above purposes, the proceeds will be placed in interest-bearing deposits with financial institutions or short-term money market instruments. The interest derived from the deposits with financial institutions or any gains arising from the short-term money market instruments will be used for the working capital purpose.

The proceeds to be raised from the exercise of the Warrants are dependent on the total number of Warrants exercised during the tenure of the Warrants. Such proceeds will be utilised for Tomypak Group's working capital requirements.

5. IRREVOCABLE UNDERTAKINGS

5.1 Substantial shareholders' undertaking

Tomypak intends to raise funds from the Rights Issue with Warrants to meet the funding requirements of Tomypak Group that will be channelled towards the proposed utilisation as set out in Section 4 of this AP.

In order to meet the purposes of the proposed utilisation and to achieve the Minimum Subscription Level, Tomypak had procured irrevocable and unconditional undertakings from our substantial shareholders, namely New Orient, LHS, Tan Sri Arshad and Zalaraz, to subscribe in full for their respective entitlements in the Rights Shares arising from the Rights Issue with Warrants based on their shareholdings as at the LPD ("**Entitlement Undertakings**").

The Minimum Subscription Level was determined by our Board after taking into consideration on the minimum level of funds that our Company wishes to raise from the Rights Issue with Warrants, which will be channelled towards the proposed utilisation of proceeds as set out in Section 4 of this AP. The Rights Issue with Warrants is intended to be undertaken on a Minimum Subscription Level, hence no underwriting arrangement is required for the remaining Right Shares of up to 27,144,974 Shares, representing approximately 49.59% of the total Shares available for subscription under the Maximum Scenario.

The Undertaking Shareholders shall subscribe in full for any additional entitlement of the Rights Issue with Warrants in the event they increase their shareholdings in Tomypak, prior to the Entitlement Date.

The Undertaking Shareholders have confirmed that they have sufficient financial resources to subscribe for the Rights Shares entitlements pursuant to their Entitlement Undertakings. All the said confirmations have been verified by RHBIB, the Principal Adviser for the Rights Issue with Warrants.

The details of the Entitlement Undertakings are set out below:

Undertaking Shareholders	Direct shareholdings as at the LPD		Entitlement Undertakings	No. of Warrants entitled	Cash required to subscribe for Rights Shares (RM)
	No. of Tomypak Shares	%			
New Orient	28,887,401	26.39	14,443,701	14,443,701	14,443,701
LHS	17,540,000	16.02	8,770,000	8,770,000	8,770,000
Tan Sri Arshad	3,240,200	2.96	1,620,100	1,620,100	1,620,100
Zalaraz	5,510,000	5.03	2,755,000	2,755,000	2,755,000
Total	55,177,601	50.40	27,588,801	27,588,801	27,588,801

In the event the Minimum Subscription Level is not achieved, our Company will not proceed with the implementation of the Rights Issue with Warrants. All subscription monies received pursuant to the Rights Issue with Warrants will be refunded without interest to the subscribing Entitled Shareholders and/or their renounce(s). As at the LPD, our Company does not have any other alternative fund raising plan in the event the Minimum Subscription Level is not achieved. Hence, in the event the Rights Issue with Warrants is not implemented, our Company will continue to utilise the floating-rate bank borrowings and the proceeds to be utilised for working capital will continue to be funded via internally-generated funds and/or other alternative source of external financing.

5.2 Take-over implications

After taking into consideration of the Entitlement Undertakings, the subscriptions of the Rights Shares with Warrants by the Undertaking Shareholders will not give rise to any consequences of mandatory general offer obligation pursuant to the Code immediately after the Rights Issue with Warrants.

However, like any other Entitled Shareholders, should New Orient and its PACs (if any) exercise all their Warrants into new Tomypak Shares such that their shareholdings fall into any of the following situation, they will be obliged to undertake a mandatory general offer for all the remaining Tomypak Shares and convertible securities, not already held by them pursuant to Part III of the Code:

- (i) their shareholdings increase to above thirty three percent (33%); or
- (ii) where their aggregate shareholdings is between thirty three percent (33%) and fifty percent (50%), an increase by more than two percent (2%) in any six (6) months period.

(collectively referred to as "**Mandatory General Offer Criteria**")

As at the LPD, New Orient holds in aggregate 28,887,401 Tomypak Shares, representing approximately 26.39% of the issued paid-up share capital of Tomypak.

New Orient and its PACs (if any) do not intend to undertake a mandatory general offer to acquire the remaining Tomypak Shares and convertible securities not already held by them after the exercise of Warrants. Hence, New Orient and its PACs (if any) will not exercise their Warrants into such new Tomypak Shares that would result in any of circumstances mentioned above and have confirmed that, to the extent applicable, they will at all times observe and ensure compliance with the Code.

Based on the shareholdings as at the LPD, the proforma effects of the Undertaking Shareholders pursuant to their respective Entitlement Undertakings are as follows:

		Direct shareholdings							
Minimum Scenario	As at the LPD		Proforma I After the Rights Issue with Warrants		Proforma II After Proforma I and full exercise of Warrants		Proforma III After Proforma II and full exercise of ESOS Options		
	No. of Tomypak Shares	%	No. of Tomypak Shares	%	No. of Tomypak Shares	%	No. of Tomypak Shares	%	
Undertaking Shareholders									
New Orient* [#]	28,887,401	26.39	43,331,102	31.62	57,774,803	35.09	57,774,803	30.51	
LHS [#]	17,540,000	16.02	26,310,000	19.20	35,080,000	21.31	35,736,805 ⁽¹⁾	18.87	
Tan Sri Arshad	3,240,200	2.96	4,860,300	3.55	6,480,400	3.94	6,617,235 ⁽¹⁾	3.49	
Zalaraz	5,510,000	5.03	8,265,000	6.03	11,020,000	6.69	11,020,000	5.82	

		Direct shareholdings							
Maximum Scenario	As at the LPD		Proforma I After the Rights Issue with Warrants		Proforma II After Proforma I and full exercise of Warrants		Proforma III After Proforma II and full exercise of ESOS Options		
	No. of Tomypak Shares	%	No. of Tomypak Shares	%	No. of Tomypak Shares	%	No. of Tomypak Shares	%	
Undertaking Shareholders									
New Orient* [#]	28,887,401	26.39	43,331,102	26.39	57,774,803	26.39	57,774,803	22.95	
LHS [#]	17,540,000	16.02	26,310,000	16.02	35,080,000	16.02	35,736,805 ⁽¹⁾	14.19	
Tan Sri Arshad	3,240,200	2.96	4,860,300	2.96	6,480,400	2.96	6,617,235 ⁽¹⁾	2.63	
Zalaraz	5,510,000	5.03	8,265,000	5.03	11,020,000	5.03	11,020,000	4.38	

Notes:

- * The shareholders of New Orient are Tang Yeong Kuang and Yong Kwet On who own 10% and 90% of equity interest respectively in New Orient.
- # New Orient and its shareholders are not PACs to LHS and vice versa.
- (1) Assuming LHS and Tan Sri Arshad, who are the Eligible Persons under the ESOS, are granted 656,805 ESOS Options and 136,835 ESOS Options, respectively.

Please refer to Section 6.2(v) of this AP for further details on the risk of the potential mandatory general offer.

6. RISK FACTORS

You and/or your renounee(s) and/or your transferee(s) (if applicable) should carefully consider the following risk factors (which may not be exhaustive) which may have an impact on the future performance of our Group, in addition to other information contained elsewhere in this AP, before subscribing for or investing in the Rights Issue with Warrants.

6.1 Risks relating to our Group

(i) Business and operational risk

Our company is principally engaged in investment holding and the provision of management services while our subsidiaries are principally engaged in the manufacture and sale of packaging materials, polyethylene, polypropylene films and sheets and general trading of packaging materials. The revenue segregation by products for the FYE 31 December 2015 and FPE 31 March 2016 is as follows:

	FYE 31 December 2015		FPE 31 March 2016	
	(RM'000)	%	(RM'000)	%
Packaging products for:				
- Food and beverage	214,098	100.00	51,362	100.00
- Toiletries	1	[^]	-	-
Total	214,099	100.00	51,362	100.00

Note:

[^] Less than 0.001%.

Our Group is subject to risk inherent in the food packaging materials industry which includes, but not limited to, shortage of raw materials and skilled workers, price increase in raw materials, labour and energy, product liability claim by our customers, threat of competition, as well as failure or postponement in the issuance or granting of licences, permits and approvals.

Any changes to the abovementioned factors may materially affect Tomypak's business and financial conditions.

(ii) Dependence on key personnel

The performance and success of our Group depends largely on the abilities, skills, experience, competency and efforts of the key personnel, i.e. LHS and other senior personnel of Tomypak Group to manage our Group's operations. The loss of any of the said relevant key management personnel without any timely replacement, or the inability of our Group to attract and retain other qualified personnel could adversely affect our Group's operations and consequently, our revenue and profitability.

(iii) Failure to obtain or renew the necessary operating licences and approval

Tomypak Group requires various permits and licences, including but not limited to, manufacturing of plastic products, printing of plastic products, business and signboard licences, to operate the business and facilities. However, some of these permits and licences are subject to periodic review and renewal by the relevant government authorities. In addition, the standards of compliance required in relation thereto may from time to time be subject to changes. Non-renewal of our permits and licences and/or changes imposed on the terms and conditions of licensing may have a material adverse effect on our Group's operations and profitability.

(iv) Foreign exchange risk

Our Group operates internationally and is exposed to foreign exchange risk. Foreign currency denominated assets and liabilities together with expected cash flows from sales and purchases give rise to foreign exchange exposures. The foreign currencies giving rise to such risk are primarily US Dollar, Singapore Dollar, Japanese Yen and Euro Dollar. Any significant fluctuations in the exchange rates may have a material impact on our Group's financial performance. Our Group's revenue and purchases denominated in the respective foreign currencies for the FYE 31 December 2015 and FPE 31 March 2016 are as follows

FYE 31 December 2015				
Currency	Revenue		Purchases	
	Amount in foreign currency ('000)	RM'000 or equivalent	Amount in foreign currency ('000)	RM'000 or equivalent
- US Dollar	27,704	106,666	24,851	96,631
- Singapore Dollar	3,736	10,389	217	636
- Japanese Yen	-	-	17,548	583
- Euro Dollar	-	-	1,163	5,512
Total		117,055		103,362

FPE 31 March 2016				
Currency	Revenue		Purchases	
	Amount in foreign currency ('000)	RM'000 or equivalent	Amount in foreign currency ('000)	RM'000 or equivalent
- US Dollar	5,891	26,020	5,204	22,121
- Singapore Dollar	370	1,021	85	259
- Japanese Yen	-	-	6,022	223
- Euro Dollar	-	-	13	62
Total		27,041		22,665

(v) Political, economic and regulatory risk

Our Group's operation is divided into local and export market. The local market relates to sales to customers within Malaysia whereas the export market relates to sales to overseas customers such as Russia, South Africa, The Philippines, Singapore and Myanmar. The revenue contribution from the local and export market to our Group for the FYE 31 December 2015 and FPE 31 March 2016 are as follows:

	FYE 31 December 2015		FPE 31 March 2016	
	(RM'000)	(%)	(RM'000)	(%)
Local market	97,044	45.33	24,321	47.35
Export market				
- Russia	25,307	11.82	6,950	13.53
- South Africa	5,706	2.67	1,395	2.72
- The Philippines	57,548	26.88	12,848	25.01
- Singapore	14,107	6.59	1,903	3.70
- Myanmar	3,978	1.86	1,509	2.94
- Others	10,409	4.86	2,436	4.74
	117,055	54.67	27,041	52.65
Total	214,099	100.00	51,362	100.00

Adverse change in political, economic and regulatory conditions in Malaysia as well as in the countries that we export our products to could materially affect the financial prospects of Tomypak Group. Amongst the political, economic and regulatory uncertainties are the changes in the risks of economic downturn, unfavourable monetary and fiscal policy changes, exchange control regulations or introduction of new rules and regulation, changes in interest rates, inflation and taxation and political leadership.

Any adverse political and economic factors may materially affect our Group's operations, financial performance and future prospects.

(vi) Sensitivity to economic downturn

Our Group is facing present world economic outlook which is uncertain. Any slowdown in the growth of the food packaging materials industry and other general world-wide economic activities could materially and adversely affect our Group's operating result and financial condition.

Any economic downturn may have a material adverse effect on our Group's operations and financial performance.

(vii) Competition

The food packaging materials industry is a competitive industry comprising a diversified group of industry players ranging from large multinational companies to small and medium-sized enterprises. Our Group's future success will depend upon our ability to maintain or increase our market share, to maintain or increase sales revenues by introducing new products to cater to market and customers' demand.

Furthermore, we expect competition to intensify in the near future due to new and more competitive food packaging materials being introduced by the market players on top of their existing products, and as new market entrants introduce new range of products into our markets. Increased competition may result in pricing pressures and reduced profit margins and may impede our ability to continue to increase the sales of our products or cause us to lose market share, any of which could substantially harm our business and results of operations.

6.2 Risks relating to the Rights Issue with Warrants

(i) Market risk

The market price of our Shares is influenced by, amongst others, the prevailing market sentiments, the liquidity of our Shares, the volatility of equity markets, the outlook of the industry which we operate in and our financial performance. In view of this, there can be no assurance that our Shares will trade at or above the issue price of the Rights Shares or the TERP of our Shares upon or subsequent to the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities.

Shareholders should also consider carefully that each Warrant derives its value from giving its holder the rights to subscribe for new Tomypak Shares at a pre-determined exercise price over the exercise period. The Warrants have a finite lifespan during which tenure the holders can exercise the subscription rights comprised in the Warrants. If the sum of the price of the Warrants as quoted on Bursa Securities and the exercise price of the Warrants is higher than the market price of Tomypak Shares, the Warrants are deemed to be 'out-of-the-money'. The value of the Warrants is directly related to the market price of Tomypak Shares. The higher the market price of Tomypak Shares exceeds the exercise price of the Warrants, the higher the value of the Warrants will be.

Shareholders are reminded, however, that other factors may also affect the market price of our Shares. Other than the fundamentals of our Group, the future price performance of the Warrants will also depend on various external factors as mentioned above.

(ii) No prior market for Warrants

Prior to the Rights Issue with Warrants, there has been no established trading market for our Warrants. The market price of our Warrants on Bursa Securities will depend on, amongst others, the prevailing stock market sentiments, the volatility of the stock market, future profitability of our Group, as well as the future prospects of the industry in which our Group operates. No assurance can be given that an active market will develop upon listing of our Warrants on Bursa Securities, or if developed, that such market will sustain. There can also be no assurance that the market price of our Warrants will be maintained at any particular level subsequent to their issue.

(iii) Delay in or abortion of the Rights Issue with Warrants

There is a risk that the Rights Issue with Warrants may be aborted or delayed on the occurrence of material adverse change of events/ circumstances, which are beyond the control of our Company and RHBIB, arising during the implementation of the Rights Issue with Warrants

Pursuant to Section 243 of the CMSA, in the event that the Rights Issue with Warrants is aborted, our Company will repay without interest all monies received from the applicants in pursuance to this AP, and if any such monies not repaid within fourteen (14) days after they become liable, our officers shall be jointly and severally liable to repay such money with interest at the rate of ten percent (10%) per annum or at such other rate as may be prescribed by the SC from the expiration of that period.

(iv) Potential dilution

Entitled Shareholders who do not or are not able to accept the provisional Rights Shares with Warrants will have their proportionate percentage of shareholdings and voting interests in our Company reduced in the enlarged issued and paid-up ordinary share capital of our Company. Pursuant thereto, their proportionate entitlement to any dividend, rights, allotment, and/or other distribution that we may declare, make or pay will correspondingly be diluted.

(v) Potential mandatory general offer

It should be noted that New Orient and its PACs (if any) will be obliged to undertake a mandatory general offer for all the remaining Tomypak Shares and convertible securities not already held by them pursuant to Part III of the Code if any one of the Mandatory General Offer Criteria stated in Section 5.2 of this AP is triggered. Under such circumstance, a mandatory general offer will take place for securities not already held by New Orient and its PACs (if any). The mandatory general offer will be subject to the provisions of the Code (where applicable).

The proforma effects of the Undertaking Shareholders' shareholdings based on the Minimum Scenario, which is the highest potential shareholding achievable by the respective Undertaking Shareholder (assuming there is no other acquisition of Shares and Warrants) are illustrated as below:

Minimum Scenario	Direct shareholdings							
	As at the LPD		Proforma I After the Rights Issue with Warrants		Proforma II After Proforma I and full exercise of Warrants		Proforma III After Proforma II and full exercise of ESOS Options	
	No. of Tomypak Shares	%	No. of Tomypak Shares	%	No. of Tomypak Shares	%	No. of Tomypak Shares	%
Undertaking Shareholders								
New Orient	28,887,401	26.39	43,331,102	31.62	57,774,803	35.09	57,774,803	30.51
LHS	17,540,000	16.02	26,310,000	19.20	35,080,000	21.31	35,736,805 ⁽¹⁾	18.87
Tan Sri Arshad	3,240,200	2.96	4,860,300	3.55	6,480,400	3.94	6,617,235 ⁽¹⁾	3.49
Zalaraz	5,510,000	5.03	8,265,000	6.03	11,020,000	6.69	11,020,000	5.82

Note:

(1) Assuming LHS and Tan Sri Arshad, who are the Eligible Persons under the ESOS, are granted 656,805 ESOS Options and 136,835 ESOS Options, respectively.

Please refer to Section 4 of Appendix II of this AP for further details on the illustration of the substantial shareholders' shareholdings.

6.3 Forward-looking statements

Certain statements in this AP are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by our Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may affect the actual results, performance or achievements implied in such forward-looking statements. Such factors include, *inter alia*, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this AP should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

Further, and save as required by law or relevant regulations, none of our Directors and/or any advisers are under any obligation to update any forward-looking statements included in this AP, or to publicly announce any revision to those forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

Certain information in this AP are extracted or derived from available government publications or other publicly available sources. Neither we nor any adviser has independently verified such information.

7. INDUSTRY OVERVIEW AND PROSPECTS OF OUR GROUP

7.1 Overview and prospects of the Malaysian economy

The Malaysian economy expanded by 4.2% in the first quarter of 2016 (4Q 2015: 4.5%). The slight moderation in growth mainly reflected external shocks to the economy and cautious spending by the private sector. On the supply side, growth continued to be driven by the major economic sectors. On a quarter-on-quarter seasonally-adjusted basis, the economy recorded a growth of 1.0% (4Q 2015: 1.2%).

Private sector activity remained the key driver of growth, although the pace of expansion moderated amid on-going adjustments in the economy. Private consumption expanded by 5.3% (4Q 2015: 4.9%), supported by continued wage and employment growth. Private investment grew at a slower rate of 2.2% (4Q 2015: 4.9%). This was mainly attributable to the cautious business sentiments and lower investments in the upstream mining sector. Growth of public consumption improved to 3.8% in the first quarter (4Q 2015: 3.3%) due to higher spending on emoluments. On the other hand, public investment declined by 4.5% (4Q 2015: 0.4%), due to lower spending on fixed assets by the public corporations.

On the supply side, the major economic sectors registered a moderate growth performance. The services sector recorded a sustained growth on account of the continued expansion in domestic demand. In the manufacturing sector, growth was supported by the continued expansion in both export- and domestic-oriented industries, although at a slower pace. The agriculture sector registered a contraction, as adverse weather conditions led to lower production of palm oil. The mining sector turned around to record a marginally positive growth following an improvement in the production of natural gas.

Inflation, as measured by the annual change in the Consumer Price Index (CPI), was higher at 3.4% in the first quarter of 2016 due to the reduction in electricity tariff rebates in January 2016 and the base effect from the larger decline in domestic fuel prices in the first quarter of 2015.

The trade surplus amounted to RM23.9 billion in the first quarter of 2016 (4Q 2015: RM30.6 billion). Gross exports continued to increase (1.0%; 4Q 2015: 8.1%), supported mainly by the continued expansion in manufactured exports, despite a larger contraction in commodity exports. Meanwhile, gross imports contracted marginally by 0.4% (4Q 2015: 3.5%), reflecting mainly the lower imports of capital and intermediate goods.

The ringgit and other regional currencies appreciated against the US dollar during the quarter, due to weaker-than-expected economic performance in the US, resulting in expectations of a slower pace of interest rate normalisation by the Federal Reserve. The ringgit, however, appreciated significantly more compared to other major and regional currencies. This is attributable to the release of positive domestic economic data, the recovery of Brent crude oil prices and the 2016 Budget Recalibration announcement. These factors lifted investor sentiments on the Malaysian economy and led to increased demand for ringgit financial assets.

Going forward, the Malaysian economy is expected to remain on a sustained growth path of 4-4.5%, despite the challenging economic environment globally and domestically. Domestic demand will continue to be the principal driver of growth, sustained primarily by private sector spending. However, domestic consumption is expected to grow at a moderate pace as households continue to adjust to the higher cost of living. Overall investment is also expected to grow at a slower pace but will remain supported by the implementation of infrastructure development projects and capital spending in the manufacturing and services sectors. Uncertainties in the external environment and the on-going adjustments in the domestic economy pose downside risks to growth.

(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2016, BNM)

7.2 Overview and prospects of the manufacturing industry in Malaysia

The manufacturing sector continued to expand during the quarter (4.5%; 4Q 2015: 5.0%), supported by both domestic- and export-oriented industries. Growth in the domestic-oriented industries was driven by stronger production in the consumer-related cluster, particularly food-related products, as well as firm demand for construction-related materials. Meanwhile, the export-oriented industries were supported by the better performance in the primary-related cluster amid continued expansion in the electrical and electronics ("E&E") cluster.

Aggregate wages in the manufacturing sector continued to record robust growth (6.9%; 4Q 2015: 7.4%) supported by continued growth in export performance, particularly in the electrical and electronics cluster. Nevertheless, employment growth in the manufacturing sector remained weak (-0.5%; 4Q 2015: -0.4%) indicating that employers continued to remain cautious about expanding their workforce during the quarter.

The continued expansion in manufactured exports (6.4%) remained supportive of gross export growth, driven by both non-resource based and resource-based manufactured products, particularly machinery, equipment and parts, metal products, as well as chemicals and chemical products. E&E exports also grew, supported mainly by demand for electrical machinery and parts and telecommunication equipment.

(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2016, BNM)

7.3 Overview and prospects of Tomypak Group

The year of 2015 was a challenging year for the overall packaging industry. The uncertainties surrounding the global economy, the rising cost of doing business worldwide and the higher cost of living domestically due to the reduction in subsidies of essential items, had affected Malaysia's consumer sentiment. Towards the end of year 2014, the fall of global crude oil prices, the weakening of RM and the introduction of GST in April 2015, had also adversely affected the domestic consumer market. Despite the strong challenges in the business environment in 2014 and 2015, our Group was able to weather the difficult times and has remained profitable for the FYE 31 December 2015.

During the financial year 2015, our Group remained focus on making further improvements to our existing production capacities and efficiencies, through investments into new and more advanced production machineries and automation. Our Group also continued to improve our production process by sourcing for new materials, developing new formulations and designs, and customising and innovating products for specific market segments to ensure our Group consistently offers products that are of the highest quality to customers, at competitive price. At the same time, along with the improved production process, further reduction in cost of production were achieved through various on-going cost savings measures.

Moving forward, our Group will be expanding its capacity further with the construction of a new factory in Senai. This new plant, which is currently under construction, is scheduled to be ready to commence commercial operations in the first quarter of 2017. More sophisticated and newer more cost efficient production machineries have been ordered and will be installed once the factory buildings are ready towards the fourth quarter of 2016. Operations in the existing plant in Tampoi will continue to exist, albeit the layout of the existing plant will be realign to allow for better production flow and efficiencies. With this new plant and the existing Tampoi plant, the increased production capacity will allow our Group to be able to meet the current and future needs of our growing clientele and to allow our Group to cater to newer international markets.

The structure of the new factory building is designed to comply with all the international hygiene and food safety standards which are mandatorily required by our Group's multinational customers. In addition to larger production floor space, the new factory building will also house a larger and more sophisticated R&D department, equipped with the latest advanced computerised testing, inspection and quality control equipment, thereby enabling our Group to expedite product development as well as to carry out more stringent inspection and quality control. The larger physical space will also allow our Group to accommodate more R&D staff, which is vital for our business expansion.

It is also our Group's plans to produce our own plastic films under our own brand name. Such development will enhance our Group's capability in improving the quality of our products, and be able to provide differentiated high quality packaging products at competitive prices to our customers. It will also enable Our Group to develop more high quality specialised packaging for high quality products such as infant cereal and milk powder for domestic and overseas markets. With investment in such high technologies, our Group will have the competitive edge in providing good products and services to our customers.

Our Group expects the external operating environment in 2016 to remain challenging. In Malaysia, the volatile global and regional economic outlook, soft global crude oil and commodity prices and the weakening domestic currency will continue to impact the consumer markets and the economic performance. The impact from the slowdown in growth in some of the economy, particularly in emerging markets such as China, will continue to be felt and will have an impact on our operations.

Nevertheless, our Group is confident that the demand for our Group's flexible packaging products from the essential food and beverage sector and fast moving consumer goods will continue to expand, which is in line with the growth in population and the fast growing acceptance of packaged food products. Furthermore, a majority of our Group's revenue is derived from the recession-resilient food and beverage sector. Our Group will also continue to focus on achieving greater operational efficiencies and development of our manpower resources. The expansion in our capacity through the new plant will provide our Group with the platform to grow and sustain our Group's business in the future amidst the favourable outlook of the food and beverage industry in the region.

(Source: The management of Tomypak Group)

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8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS**8.1 Issued and paid-up share capital**

The proforma effects of the Rights Issue with Warrants on the issued and paid-up share capital of Tomypak are set out below:

	Minimum Scenario		Maximum Scenario	
	No. of Shares	RM'000	No. of Shares	RM'000
Issued and paid-up share capital as at the LPD	109,467,550	54,733	109,467,550	54,733
To be issued pursuant to the Rights Issue with Warrants	27,588,801	13,794	54,733,775	27,367
	137,056,351	68,527	164,201,325	82,100
To be issued upon full exercise of Warrants pursuant to the Rights Issue with Warrants ⁽¹⁾	27,588,801	13,794	54,733,775	27,367
Issued and paid-up share capital after the Rights Issue with Warrants	164,645,152	82,321	218,935,100	109,467
To be issued upon full exercise of ESOS Options to be granted pursuant to the ESOS ⁽²⁾	24,696,773	12,348	32,840,265	16,420
Enlarged issued and paid-up share capital	189,341,925	94,669	251,775,365	125,887

Notes:

- (1) In compliance with Paragraph 6.50 of the Listing Requirements, the number of new Shares to be issued from the exercise of all Warrants will not exceed 50% of its issued and paid-up capital.
- (2) The aggregate Shares to be issued pursuant to the exercise of the ESOS Options amounting up to fifteen percent (15%) of the issued and paid-up ordinary share capital of our Company is approved by our shareholders in the EGM held on 26 February 2016 and Bursa Securities via its letter dated 8 January 2016.

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8.2 NA per Share and gearing

The ESOS is not expected to have an immediate effect on the NA per Share and gearing of our Group until such time when the ESOS Options to be granted under the ESOS are exercised. The effects on the NA per Share and gearing of our Group will depend on, amongst others, the Option Price, the number of new Tomypak Shares to be issued and allotted upon the exercise of the ESOS Options and the potential effect on the future earnings of our Group arising from the adoption of the MFRS 2 as set out in Section 8.3 of this AP.

For illustration purposes, the proforma effects of the Rights Issue with Warrants and ESOS on the NA per Share and gearing of Tomypak Group based on the audited consolidated statement of financial position of Tomypak as at 31 December 2015 (and assuming that the Rights Issue with Warrants and ESOS had been effected on that date) are set out below:

Minimum Scenario	Audited as at 31 December 2015 RM'000	Proforma I After taking into account subsequent event after FYE 31 December 2015 *	Proforma II After Proforma I and the Rights Issue with Warrants RM'000	Proforma III After Proforma II and full exercise of Warrants RM'000	Proforma IV After Proforma III and the ESOS RM'000	Proforma V After Proforma IV and full exercise of ESOS Options RM'000
Share capital	54,733	54,733	68,527	82,321	82,321	94,669
Share premium	987	987	4,850	64,166 ⁽³⁾	64,166	109,855 ⁽⁶⁾
Warrants reserve	-	-	9,932 ⁽¹⁾	- ⁽³⁾	-	-
ESOS reserve	-	-	-	-	12,842 ⁽⁴⁾	-
Merger reserve ^	2,991	2,991	2,991	2,991	2,991	2,991
Retained earnings	67,210	61,737	61,137 ⁽²⁾	61,137	48,295	48,295
Shareholders fund/ NA	125,921	120,448	147,437	210,615	210,615	255,810
Number of Shares in issue ('000)	109,468	109,468	137,056	164,645	164,645	189,342
NA per Share (RM)	1.15	1.10	1.08	1.28	1.28	1.35
Total borrowings (RM'000)	29,535	29,535	29,535	29,535	29,535	29,535
Gearing (times)	0.23	0.25	0.20	0.14	0.14	0.12

Notes:

* Subsequent event being dividend payments of approximately RM5.47 million to our Company's shareholders subsequent to FYE 31 December 2015 comprising:

- (a) fourth interim dividend of 3 sen per Tomypak Share for the FYE 31 December 2015 (paid on 8 April 2016); and
 (b) first interim dividend of 2 sen per Tomypak Share for the FYE 31 December 2016 (to be paid on 17 June 2016).

^ Our Group adopted merger accounting under Malaysian Accounting Standard 2 during our initial public offering exercise in 1996. The merger reserve arose due to the difference between the cost of acquisition and the nominal value of the share capital and reserves of the merged entities of Tomypak Group. The entities that were involved to give rise to the merger reserve are Tomypak Holdings Berhad and Tomypak Flexible Packaging Sdn Bhd.

- (1) Computed based on the theoretical fair value of the Warrants which was derived from Black-Scholes option pricing model.
 (2) After taking into account the estimated expenses for the Corporate Exercises of RM0.60 million.
 (3) When the Warrants are exercised into new Shares, the warrants reserve will be reclassified to the share premium of the respective new Shares issued. A total of approximately RM59.32 million will be credited to the share premium account upon the full exercise of the Warrants.
 (4) Computed based on the theoretical fair value of the ESOS Options which was derived from Black-Scholes option pricing model.
 (5) Approximately RM45.69 million to be credited to the share premium account upon the full exercise of the ESOS Options.

Maximum Scenario	Audited as at 31 December 2015 RM'000	Proforma I After taking into account subsequent event after FYE 31 December 2015 *	Proforma II After Proforma I and the Rights Issue with Warrants RM'000	Proforma III After Proforma II and full exercise of Warrants RM'000	Proforma IV After Proforma III and the ESOS RM'000	Proforma V After Proforma IV and full exercise of ESOS Options RM'000
Share capital	54,733	54,733	82,100	109,467	109,467	125,887
Share premium	987	987	8,651	126,327 ⁽³⁾	126,327	187,082 ⁽⁵⁾
Warrants reserve	-	-	19,703 ⁽¹⁾	- ⁽³⁾	-	-
ESOS reserve	-	-	-	-	17,077 ⁽⁴⁾	-
Merger reserve ^	2,991	2,991	2,991	2,991	2,991	2,991
Retained earnings	67,210	61,137	61,137 ⁽²⁾	61,137	44,060	44,060
Shareholders fund/ NA	125,921	120,448	174,582	299,922	299,922	360,020

Maximum Scenario (cont'd)	Audited as at 31 December 2015 RM'000	Proforma I After taking into account subsequent event after FYE 31 December 2015 *	Proforma II After Proforma I and the Rights Issue with Warrants RM'000	Proforma III After Proforma II and full exercise of Warrants RM'000	Proforma IV After Proforma III and the ESOS RM'000	Proforma V After Proforma IV and full exercise of ESOS Options RM'000
Number of Shares in issue ('000)	109,468	109,468	164,201	218,935	218,935	251,775
NA per Share (RM)	1.15	1.10	1.06	1.37	1.37	1.43
Total borrowings (RM'000)	29,535	29,535	29,535	29,535	29,535	29,535
Gearing (times)	0.23	0.25	0.17	0.10	0.10	0.08

Notes:

* Subsequent event being dividend payments of approximately RM5.47 million to our Company's shareholders subsequent to FYE 31 December 2015 comprising:

(a) fourth interim dividend of 3 sen per Tomypak Share for the FYE 31 December 2015 (paid on 8 April 2016); and

(b) first interim dividend of 2 sen per Tomypak Share for the FYE 31 December 2016 (to be paid on 17 June 2016).

^ Our Group adopted merger accounting under Malaysian Accounting Standard 2 during our initial public offering exercise in 1996. The merger reserve arose due to the difference between the cost of acquisition and the nominal value of the share capital and reserves of the merged entities of Tomypak Group. The entities that were involved to give rise to the merger reserve are Tomypak Holdings Berhad and Tomypak Flexible Packaging Sdn Bhd.

(1) Computed based on the theoretical fair value of the Warrants which was derived from Black-Scholes option pricing model.

(2) After taking into account the estimated expenses for the Corporate Exercises of RM0.60 million.

(3) When the Warrants are exercised into new Shares, the warrants reserve will be reclassified to the share premium of the respective new Shares issued. A total of approximately RM17.68 million will be credited to the share premium account upon the full exercise of the Warrants.

(4) Computed based on the theoretical fair value of the ESOS Options which was derived from Black-Scholes option pricing model.

(5) Approximately RM60.75 million to be credited to the share premium account upon the full exercise of the ESOS Options.

8.3 Earnings and EPS

Save for the estimated expenses of approximately RM0.60 million, the Corporate Exercises are not expected to have any material effect on the earnings of Tomypak Group for the FYE 31 December 2016.

However, the Rights Issue with Warrants will result in a corresponding reduction in the EPS of Tomypak as a result of the increase in the number of Tomypak Shares in issue upon the completion of the Rights Issue with Warrants and as and when the Warrants are exercised into new Tomypak Shares. Nevertheless, barring any unforeseen circumstances, the Rights Issue with Warrants is expected to contribute positively to the future earnings of our Group when the benefits of the utilisation of proceeds from the Rights Issue with Warrants are realised.

For illustrative purposes only, based on the consolidated financial statements of Tomypak for the FYE 31 December 2015, the proforma effects of the Rights Issue with Warrants and ESOS on our Group's earnings and EPS are as follows:

	Audited as at 31 December 2015	Proforma I After taking into account subsequent event after FYE 31 December 2015 *	Proforma II After Proforma I and the Rights Issue with Warrants	Proforma III After Proforma II and full exercise of Warrants	Proforma IV After Proforma III and the ESOS	Proforma V After Proforma IV and full exercise of ESOS Options
Profit for the year (RM'000)	23,164	23,164	23,164	23,164	23,164 ⁽¹⁾	23,164 ⁽¹⁾
Minimum Scenario						
No. of Tomypak Shares ('000)	109,468	109,468	137,056	164,645	164,645	189,342 ⁽²⁾
Basic EPS (sen) ⁽³⁾	21.16	21.16	16.90	14.07	14.07	12.23
Diluted EPS (sen) ⁽⁴⁾	Not applicable ⁽⁵⁾	Not applicable ⁽⁵⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾
Maximum Scenario						
No. of Tomypak Shares ('000)	109,468	109,468	164,201	218,935	218,935	251,775 ⁽²⁾
Basic EPS (sen) ⁽³⁾	21.16	21.16	14.11	10.58	10.58	9.20
Diluted EPS (sen) ⁽⁴⁾	Not applicable ⁽⁵⁾	Not applicable ⁽⁵⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾	Not applicable ⁽⁶⁾

Notes:

- * Subsequent event being dividend payments of approximately RM5.47 million to our Company's shareholders subsequent to FYE 31 December 2015 comprising:
- (a) fourth interim dividend of 3 sen per Tomypak Share for the FYE 31 December 2015 (paid on 8 April 2016); and
 - (b) first interim dividend of 2 sen per Tomypak Share for the FYE 31 December 2016 (to be paid on 17 June 2016).
- (1) The ESOS Options are expected to be granted in tranches over the ESOS tenure of five (5) years. The extent of the impact of the ESOS on the consolidated earnings arising from the application of the MFRS 2 for each financial year is subject to the number of ESOS Options to be granted each tranche and also the various factors affecting the fair value of the ESOS Options at the grant date. The Company is expected to grant the first tranche of the ESOS Options within three (3) months after the completion of the Rights Issue with Warrants while the rest of the tranches to be determined at later date.
 - (2) Assuming all the ESOS Options are fully granted and vested under the ESOS, and have been exercised into an equivalent amount of Tomypak Shares.
 - (3) Calculated based on the profit for the year for the FYE 31 December 2015 divided by the total number of Tomypak Shares.
 - (4) Calculated based on the profit for the year for the FYE 31 December 2015 divided by the total number of Tomypak Shares, adjusted for the effects from the exercise of Warrants and ESOS Options.
 - (5) There is no potential dilutive effect on the ordinary shares outstanding for the FYE 31 December 2015.
 - (6) There is no other potential dilutive effect on Tomypak Shares save for the exercise of Warrants and ESOS Options, of which are captured under the basic EPS computation.

The ESOS is not expected to have any immediate material effect on the earnings of Tomypak Group for the FYE 31 December 2016, save for the possible impact of MFRS 2. However, any potential effect on the EPS of Tomypak Group in the future would depend on the number of ESOS Options granted and exercised, and the Option Price upon the exercise of the ESOS Options as well as the possible impact of MFRS 2 on share-based payment.

Under MFRS 2 that came into effect on 1 January 2012, it requires an entity to recognise share-based payment transactions, including transactions with employees in the financial statements. The ESOS is a share-based payment granted as consideration for services rendered by the employees. Therefore, the costs arising from the issuance of the ESOS Options is measured by the fair value of the ESOS Options on the grant date and is recognised as an employee cost in the profit or loss of Tomypak Group over the vesting period of the ESOS Options, thereby reducing the earnings of Tomypak Group. However, it should be noted that the costs arising from the issuance of ESOS Options do not represent cash outflow to our Company as it is merely an accounting treatment.

In addition, the issuance of the ESOS Options will have a dilutive effect on Tomypak Group's EPS due to the increase in number of Tomypak Shares in issue.

Nevertheless, our Company has taken note of the potential impact of MFRS 2 on our Group's future earnings and shall take into consideration such impact in the allocation and granting of ESOS Options to the Eligible Persons.

9. DETAILS OF OTHER CORPORATE EXERCISES

Save for the ESOS, Allocation and the Rights Issue with Warrants (which is the subject matter of this AP), our Board confirms that there is no other outstanding corporate exercise announced by our Company, but not yet completed as at the LPD. The Increase in Authorised Share Capital and Amendment were completed on 26 February 2016.

10. WORKING CAPITAL, BORROWINGS, COMMITMENTS AND CONTINGENT LIABILITIES**10.1 Working capital**

Our Board is of the opinion that after taking into consideration the proceeds from the Rights Issue with Warrants, cash in hand and banking facilities available, our Group will have adequate working capital to meet our current core business requirements within a period of twelve (12) months from the date of this AP.

10.2 Borrowings

As at the LPD, our Group has a total outstanding borrowing of approximately RM34.53 million, which is interest-bearing from local financial institutions. The details of the total outstanding borrowing (which have not been audited) are as follows:

	RM'000
Long term borrowing:	
- Term loans	<u>5,171</u>
Short term borrowing:	
- Term loans	<u>1,981</u>
- Trust receipts and bankers' acceptance	<u>27,373</u>
Total	<u>34,525</u>

Our Group's borrowings above are denominated in the following currencies:

Currency	Amount in foreign currency ('000)	RM'000 or equivalent
- RM	-	7,678
- Singapore Dollar	2,385	7,079
- US Dollar	3,867	15,523
- Euro Dollar	936	4,245
Total		<u>34,525</u>

Save for the above, as at the LPD, our Group does not have any non-interest bearing borrowings from local financial institutions and interest bearing or non-interest bearing borrowings from foreign financial institutions.

There has not been any default on payments of either interests or principal sums by our Group, in respect of any borrowings during the FYE 31 December 2015 and for the subsequent financial period up to the LPD.

10.3 Commitments and contingent liabilities**10.3.1 Commitments**

Save as disclosed below, as at the LPD, there is no commitments incurred by our Group, which upon becoming enforceable, may have a material impact on the financial results/ position of our Group:

	RM'000
Plant and equipment ⁽¹⁾	
- Contracted but not provided for	<u>62,076</u>
- Authorised but not contracted for	<u>7,394</u>
Raw material ⁽²⁾ and operating expenses ⁽³⁾	
- Contracted but not provided for	<u>16,775</u>

Notes:

- (1) *Comprising, among others, construction of the new factory building and purchase of machineries such as advanced extrusion lamination, advanced printing and casting film.*
- (2) *Comprising, among others, plastic resin, aluminium foil, plastic film, printing ink and carton boxes.*
- (3) *Comprising, amongst others, factory consumables.*

Our Group intends to fund the abovementioned commitment(s) from the proceeds to be raised from the Rights Issue with Warrants and/or internally generated funds.

10.3.2 Contingent liabilities

Save as disclosed below, as at the LPD, there is no contingent liabilities incurred by our Group, which upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

	RM'000
Secured corporate guarantees for banking facilities given to Tomypak Flexible Packaging Sdn Bhd (<i>formerly known as Tomypak Flexible Packaging Berhad</i>), our subsidiary	7,152
Unsecured corporate guarantees for banking facilities given to Tomypak Flexible Packaging Sdn Bhd (<i>formerly known as Tomypak Flexible Packaging Berhad</i>), our subsidiary	<u>27,373</u>

11. INSTRUCTIONS FOR ACCEPTANCE, SALE/ TRANSFER, EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS

Full instruction for the acceptance of and payment for the provisional Rights Shares with Warrants as well as Excess Rights Shares with Warrants application and the procedures to be followed should you and/or your renounee(s) and/or your transferee(s) (if applicable) wish to sell or transfer all or any part of your/ his rights entitlements are set out in this AP and the RSF. You and/or your renounee(s) and/or your transferee(s) (if applicable) are advised to read this AP, the RSF and the notes and instructions printed therein carefully. In accordance with the CMSA, the RSF must not be circulated unless accompanied by this AP.

Acceptance and/or payment for the provisional Rights Shares with Warrants which do not conform strictly to the terms of this AP, the RSF and the notes and instructions printed therein or which are illegible may be rejected at the absolute discretion of our Board.

11.1 General

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotment, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants. You will find enclosed with this AP, the NPA notifying you of the crediting of such Provisional Allotment into your CDS Account and the RSF to enable you to subscribe for the Rights Shares with Warrants provisionally allotted to you, as well as to apply for Excess Rights Shares with Warrants if you choose to do so.

11.2 NPA

The Provisional Allotment are prescribed securities pursuant to Section 14(5) of the Securities Industry (Central Depository) Act, 1991 and therefore, all dealings in the Provisional Allotment will be by book entries through CDS Accounts and will be governed by the Securities Industry (Central Depositories) Act, 1991, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. You and/or your renounee(s) and/or your transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

11.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Allotment is at **5.00 p.m.** on **20 June 2016**, or such extended date and time as our Board may decide at their absolute discretion. Where the closing date of the acceptance is extended from the original closing date, the announcement of such extension will be made not less than two (2) Market Days before the original closing date.

11.4 Procedure for full acceptance and payment

Acceptance and payment for the Provisional Allotment must be made on the RSF enclosed with this AP and must be completed in accordance with the notes and instructions contained in these documents. Acceptances which do not conform to the terms of this AP, NPA or RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE AND PAYMENT FOR THE PROVISIONAL ALLOTMENT, EXCESS APPLICATION FOR THE RIGHTS SHARES WITH WARRANTS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU WISH TO SELL/ TRANSFER ALL OR ANY PART OF YOUR ENTITLEMENT ARE SET OUT IN THIS AP AND THE ACCOMPANYING RSF.

YOU AND/OR YOUR RENOUNCEE(S) AND/OR YOUR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS AP, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

If you and/or your renounee(s) and/or your transferee(s) (if applicable) wish to accept your entitlement, please complete Parts I(a) and II of the RSF in accordance with the notes and instructions provided therein. Each completed RSF together with the relevant payment must be despatched by **ORDINARY POST, COURIER** or **DELIVERED BY HAND** using the envelope provided (at your own risk) to our Share Registrar at the following address:

Boardroom Corporate Services (KL) Sdn Bhd

Lot 6.05, Level 6
KPMG Tower, 8 First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel: (603) 7720 1188
Fax: (603) 7720 1111

so as to arrive **not later than 5.00 p.m.** on **20 June 2016**, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board. A reply envelope is enclosed in this AP. In order to facilitate the processing of the RSF by the Share Registrar for the Rights Shares with Warrants, you are advised to use one (1) reply envelope for each completed RSF.

One (1) RSF can only be used for acceptance of the Provisional Allotment standing to the credit of one (1) CDS Account. Separate RSF must be used for the acceptance of the Provisional Allotment standing to the credit of more than one (1) CDS Account. If successful, Rights Shares with Warrants subscribed by you and/or your renounee(s) and/or your transferee(s) (if applicable) will be credited into the respective CDS Accounts where the Provisional Allotment is standing to the credit.

You and/or your renounee(s) and/or your transferee(s) (if applicable) should take note that a trading board lot for the Rights Shares with Warrants will comprise of one hundred (100) Rights Shares and one hundred (100) Warrants each respectively. Successful applicants of the Rights Shares will be given free attached Warrants on the basis of one (1) Warrant for every one (1) Rights Share successfully subscribed. The minimum number of Rights Shares that can be subscribed or accepted is one (1) Rights Share, which will be accompanied with one (1) Warrant. The minimum number of Warrants that can be issued and allotted with the accepted Rights Shares is one (1) Warrant. Fractions of a Rights Shares with Warrants which may arise from the Rights Issue with Warrants will be disregarded and shall be dealt in such manner as our Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of our Company.

If acceptance and payment for the Provisional Allotment is not received by our Share Registrar by **5.00 p.m.** on **20 June 2016**, being the last date and time for acceptance and payment, or any other extended date and time as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time at their discretion, you and/or your renounee(s) and/or your transferee(s) (if applicable) will be deemed to have declined the provisional allotment made to you and/or your renounee(s) and/or your transferee(s) and it will be cancelled. In the event that the Rights Shares with Warrants are not fully taken up by such applicants, our Board will then have the right to allot such Rights Shares with Warrants to the applicants who have applied for Excess Rights Shares with Warrants in the manner as set out in Section 11.8 of this AP. Proof of time of postage shall not constitute proof of time of receipt by the Share Registrar. Our Board reserves the right not to accept or to accept in part only any application without providing any reasons.

If you or your renounee(s) or your transferee(s) (if applicable) who lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website (<http://www.bursamalaysia.com>), our Share Registrar at the address stated above or our Registered Office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN RINGGIT MALAYSIA FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "TOMYPAK RIGHTS SHARES ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME, ADDRESS AND CDS ACCOUNT OF THE APPLICANT IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE FIELDS PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS SHARES WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO THEM AND/OR THEIR RENOUNCEE(S) AND/OR THEIR TRANSFEREE(S) (IF APPLICABLE) AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE OF ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPATCHED TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

11.5 Procedure for part acceptance by the Entitled Shareholders

You are entitled to accept part of your Provisional Allotment. The minimum number of Rights Shares that can be subscribed or accepted is one (1) Rights Share which will be accompanied with one (1) Warrant.

You must complete both Parts I(a) and II of the RSF by specifying the number of Rights Shares with Warrants which you are accepting and deliver the completed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 11.4 of this AP.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAIN THEREIN.

The portion of the Provisional Allotment that have not been accepted shall be allotted to any other persons allowed under the laws, regulations or rules to accept the transfer of the Provisional Allotment.

11.6 Procedure for sale/ transfer of the Provisional Allotment

As the Provisional Allotment are prescribed securities, you may sell/ transfer all or part of your entitlement to the Rights Shares with Warrants to one (1) or more person(s) through your stockbrokers without first having to request for a split of the Provisional Allotment standing to the credit of your CDS Account. To dispose of all or part of your entitlement to the Provisional Allotment, you may sell such entitlement in the open market or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository. If you have sold or transferred only part of the Provisional Allotment, you may still accept the balance of the Provisional Allotment by completing the RSF. Please refer to Section 11.4 of this AP for the acceptance and payment.

In selling/ transferring all or part of your Provisional Allotment, you and/or your renounee(s) and/or your transferee(s) (if applicable) need not deliver any document including the RSF, to any stockbroker. However you and/or your renounee(s) and/or your transferee(s) (if applicable) must ensure that there is sufficient Provisional Allotment standing to the credit of your CDS Account that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the Provisional Allotment may obtain a copy of this AP and the RSF from their stockbrokers, our Share Registrar, or at our Registered Office as stated above. This AP and RSF are also available on Bursa Securities' website at <http://www.bursamalaysia.com>.

If you have sold or transferred only part of your entitlements to the Rights Shares with Warrants, you may still accept the balance of your entitlements to the Rights Shares with Warrants by completing and forwarding the RSF and the full amount payable, to our Share Registrar.

ENTITLED SHAREHOLDERS WHO SELL OR TRANSFER THEIR PROVISIONAL ALLOTMENT WILL AUTOMATICALLY BE SELLING OR TRANSFERRING THEIR ENTITLEMENTS TO THE RIGHTS SHARES AND THE ATTACHED FREE WARRANTS IN THE PROPORTION OF ONE (1) RIGHTS SHARE WITH ONE (1) WARRANT. THEY CANNOT RETAIN THE PROVISIONAL ALLOTMENT WHILE SELLING OR TRANSFERRING THE RIGHTS SHARES, THE ATTACHED WARRANTS, OR VICE VERSA, NOR CAN THEY SELL OR TRANSFER THEIR ENTITLEMENTS IN ANY PROPORTION OTHER THAN THAT STATED ABOVE.

11.7 Procedure for acceptance by renounee(s) and/or transferee(s)

Renounee(s) and/or transferee(s) who wish to accept the Provisional Allotment must obtain a copy of the RSF from their stockbrokers, our Share Registrar, or at our Registered Office or from the Bursa Securities' website at <http://www.bursamalaysia.com> and complete the RSF and submit the same together with the remittance in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders are set out in Section 11.4 of this AP also applies to renounee(s) and/or transferee(s) who wish to accept the Provisional Allotment.

RENOUNCEE(S) AND/OR YOUR TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS AP AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS AP AND RSF CAREFULLY.

11.8 Procedure for application of Excess Rights Shares with Warrants

As an Entitled Shareholder, you and/or your renounee(s) and/or your transferee(s) (if applicable) may apply for Excess Rights Shares with Warrants in addition to the Provisional Allotment by completing Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance made in RM** for the full amount payable in respect of the Excess Rights Shares with Warrants applied for) to our Share Registrar at the address set out in Section 11.4 of this AP, so as to arrive **not later than 5.00 p.m. on 20 June 2016**, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board not less than two (2) Market Days before the stipulated date and time.

PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 11.4 OF THIS AP, AND IN THE FORM OF BANKER'S DRAFT(S)/ CASHIER'S ORDER(S)/ MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "TOMYPAK EXCESS RIGHTS SHARES ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH THE NAME, ADDRESS AND CDS ACCOUNT OF THE APPLICANT IN BLOCK LETTERS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN THE LAST DATE AND TIME FOR EXCESS RIGHTS SHARES WITH WARRANTS APPLICATION AND PAYMENT AS SET OUT ON THE COVER PAGE OF THIS AP.

It is the intention of our Board to allot the Excess Rights Shares with Warrants in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on their respective shareholdings as at the Entitlement Date;
- (iii) thirdly, for allocation to Entitled Shareholders who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for; and
- (iv) finally, for allocation to the renounee(s) and/or transferee(s) who have applied for the Excess Rights Shares with Warrants, on a pro-rata basis and in board lot, calculated based on the quantum of their respective Excess Rights Shares with Warrants applied for.

Nevertheless, our Board reserves the right to allot any Excess Rights Shares with Warrants applied for under Part I(B) of the RSF on a fair and equitable basis and in such manner as our Board deem fit or expedient and in the best interest of our Company, subject always to (i), (ii), (iii) and (iv) above are achieved. Our Board also reserves the right not to accept or to accept any application for Excess Rights Shares with Warrants, in full or in part, without assigning any reason.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR EXCESS RIGHTS SHARES WITH WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THE APPLICANTS AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS.

EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHTS NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.

APPLICANTS ARE NOT ALLOWED TO WITHDRAW THE RSF AND PAYMENT ONCE THEY HAVE BEEN LODGED WITH OUR SHARE REGISTRAR.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL EXCESS RIGHTS SHARES WITH WARRANTS APPLICATIONS, THE FULL AMOUNT OR THE BALANCE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST TO THE APPLICANTS WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

11.9 Form of issuance

Bursa Securities has already prescribed our Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares and Warrants are prescribed securities and as such, the Securities Industry (Central Depositories) Act, 1991, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository shall apply in respect of the dealings in the Rights Shares and Warrants.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected.

No physical share or warrant certificate shall be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares and Warrants will be credited directly into your CDS Account.

The notices of allotment will be issued and forwarded to you by ordinary post at your own risk to the address shown in the Record of Depositors provided by Bursa Depository within eight (8) Market Days from the last time and date for acceptance and payment of the Rights Issue with Warrants.

Any person who intends to subscribe for the Rights Shares with Warrants as a renounee by purchasing the provisional allotment of Rights Shares and Warrants from an Entitled Shareholder will have his Rights Shares and Warrants credited directly as prescribed securities into his CDS Account.

Subscription of Rights Shares with Warrants by the Entitled Shareholders

Where the Rights Shares with Warrants are provisionally allotted to you as an Entitled Shareholder in respect of your existing Tomypak Shares standing credit to your CDS Account on the Entitlement Date, the acceptance by you of the provisional allotment of the Rights Shares and Warrants shall mean that you consent to receive such Rights Shares and Warrants as prescribed or deposited securities credited directly into your CDS Account. Hence, the Rights Shares and Warrants will be credited directly into your CDS Account upon issuance and allotment.

Subscription of Rights Shares with Warrants by a renounee

Any person who has purchased the Provisional Allotment of Rights Shares with Warrants or to whom the Provisional Allotment of Rights Shares with Warrants has been transferred and intends to subscribe for the Rights Shares with Warrants must state his/ her CDS Account number in the space provided in the RSF. The Rights Shares and Warrants will be credited directly as prescribed or deposited securities into his/ her CDS Account upon issuance and allotment.

Application for Excess Rights Shares with Warrants by an Entitled Shareholder and/or his renounee(s) and/or his transferee(s) (if applicable)

The Excess Rights Shares with Warrants, if allotted to the successful applicant who applies for Excess Rights Shares with Warrants, will be credited directly as prescribed securities into the CDS Account of the successful applicant. The allocation of the Excess Rights Shares with Warrants will be made on a fair and equitable basis.

11.10 Laws of foreign jurisdictions

This AP, and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign jurisdiction. The Rights Issue with Warrants will not be made or offered in any foreign jurisdiction.

Foreign Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

RHBIB, other experts, our Company and our Directors and officers would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the foreign Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) are or may be subject to. Foreign Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. RHBIB, other experts, our Company and our Directors and officers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, this AP together with the accompanying documents will not be sent to the foreign Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders and/or their renounee(s) and/or their transferee(s) (if applicable) may collect the AP including the accompanying documents from our Share Registrar, in which event the Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid documents.

The foreign Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders or their renouncee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against us or RHBIB in respect of their rights and entitlements under the Rights Issue with Warrants. Such foreign Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing any of the forms accompanying this AP, the NPA and the RSF, the foreign Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) RHBIB, other experts, our Company and our Directors and officers that:

- (i) we would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders and/or renouncee(s) and/or their transferee(s) (if applicable) are or may be subject to;
- (ii) they have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;
- (iii) they are not nominees or agents of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- (iv) they are aware that the Rights Shares and Warrants can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) they have respectively received a copy of this AP and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the representatives of our Company and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares and Warrants; and
- (vi) they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares and Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares and Warrants.

Persons receiving this AP, NPA and RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this AP, NPA and RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this AP, NPA and RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of Rights Shares and Warrants from any such application by foreign Entitled Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) in any jurisdiction other than Malaysia.

Our Company reserves the right, in our absolute discretion, to treat any acceptance of the Rights Shares and Warrants as invalid if we believe that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN ENTITLED SHAREHOLDERS OR ANY OTHER PERSON HAVING POSSESSION OF THIS AP AND/OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE THERETO. NO PERSON IN ANY TERRITORY OUTSIDE OF MALAYSIA RECEIVING THIS AP AND/OR ITS ACCOMPANYING DOCUMENTS MAY TREAT THE SAME AS AN OFFER, INVITATION OR SOLICITATION TO SUBSCRIBE FOR OR ACQUIRE ANY RIGHTS SHARES AND WARRANTS UNLESS SUCH OFFER, INVITATION OR SOLICITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER REGULATORY OR LEGAL REQUIREMENTS ON SUCH TERRITORY.

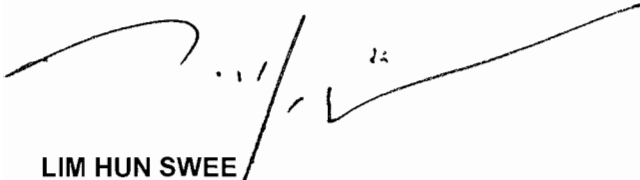
12. TERMS AND CONDITIONS

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in this AP, the NPA and the RSF enclosed therewith and the Deed Poll.

13. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
TOMYPAK HOLDINGS BERHAD



LIM HUN SWEE
Managing Director

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 54,733,775 NEW ORDINARY SHARES OF RM0.50 EACH IN TOMYPAK ("TOMYPAK SHARE(S)") ("RIGHTS SHARE(S)") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING TOMYPAK SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER, TOGETHER WITH UP TO 54,733,775 FREE DETACHABLE WARRANTS ("WARRANT(S)") ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED

RESOLVED:

THAT subject to the passing of Ordinary Resolution 10 and Special Resolution, approval-in-principle granted by Bursa Malaysia Securities Berhad ("**Bursa Securities**") and all other relevant authorities/parties (if applicable), approval be and is hereby given to the Board of Directors of the Company ("**Board**"):

- (i) to provisionally issue and allot and by way of a renounceable rights issue of up to 54,733,775 new ordinary shares of RM0.50 each in the Company ("**Tomypak Share(s)**") ("**Rights Shares**") at an issue price of RM1.00 per Rights Share, on the basis of one (1) Rights Share for every two (2) existing Tomypak Shares held, together with up to 54,733,775 free detachable warrants ("**Warrants**") on the basis of one (1) Warrant for every one (1) Rights Share successfully subscribed, by way of provisional allotment to shareholders whose names appear in the Record of Depositors at the close of business on an entitlement date to be determined and announced later by the Board ("**Proposed Rights Issue with Warrants**");
- (ii) to enter into and execute the deed poll constituting the Warrants ("**Deed Poll**") and to do all acts, deeds and things as they deem fit or expedient in order to implement, finalise and give effect to the aforesaid Deed Poll wherein each of the Warrants will carry the rights to subscribe, subject to any adjustment in accordance with the Deed Poll to be executed, at any time during the "**Exercise Period**" as defined in the Deed Poll, for one (1) new Tomypak Share at an exercise price of RM2.29;
- (iii) to issue and allot such number of new Tomypak Shares pursuant to the exercise of the Warrants, from time to time during the tenure of the Warrants, and such new Tomypak Shares shall, upon issuance and allotment, rank *pari passu* in all respects with the existing Tomypak Shares, save and except that such new Tomypak Shares then issued, will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid, the entitlement date of which is prior to the allotment date of the said new Tomypak Shares;
- (iv) to allot and issue such further Warrants and new Tomypak Shares arising from the subscription of further Warrants as a consequence of any adjustment in accordance with the provisions of the Deed Poll and/or as may be required by the relevant authorities; and

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ANG MUI KIW
Company Secretary
(LS 0001886)

25 APR 2016

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

- (v) to do all such acts and things including but not limited to the application to Bursa Securities for the listing of and quotation for the new Tomypak Shares which may from time to time be allotted and issued upon the exercise of the Warrants;

THAT any fractional entitlements under the Proposed Rights Issue with Warrants will be disregarded and shall be dealt with in such manner as the Board shall in their absolute discretion deem expedient in the best interest of the Company;

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in the circular to shareholders of the Company dated 27 January 2016, and the Board be and is hereby authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Directors may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

THAT the Rights Shares and new Tomypak Shares arising from the exercise of the Warrants will, upon issuance and allotment, rank *pari passu* in all respects with the existing Tomypak Shares, save and except that they will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid, the entitlement date of which is prior to the allotment date of the Rights Shares and new Tomypak Shares arising from the exercise of the Warrants, respectively;

AND THAT the Board be and is hereby authorised to sign and empowered to give full effect to the aforesaid Proposed Rights Issue with Warrants with full power to assent to and accept any conditions, variations arrangements and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board and to sign, execute and deliver on behalf of the Company, the Deed Poll and all such other documents with any party or parties and to take all such steps and to do all such acts, things and matters as it may deem fit, necessary and/or expedient in order to implement, finalise and give full effect to the Proposed Rights Issue with Warrants.

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF AN EMPLOYEES' SHARE OPTION SCHEME OF UP TO FIFTEEN PERCENT (15%) OF THE PREVAILING ISSUED AND PAID-UP ORDINARY SHARE CAPITAL OF TOMYPAK (EXCLUDING TREASURY SHARES) FOR THE ELIGIBLE DIRECTORS AND EMPLOYEES OF TOMYPAK AND ITS SUBSIDIARY(IES) TO BE IMPLEMENTED AFTER THE COMPLETION OF THE PROPOSED RIGHTS ISSUE WITH WARRANTS

RESOLVED:

THAT subject to the passing of Ordinary Resolution 10, Special Resolution and approval of all the relevant authorities, including but not limited to, the approval of Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for the new ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued hereunder, the Board of Directors of the Company ("Board") be and is hereby authorised to:

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ANG MUI KIOW
Company Secretary
(LS 0001886)

25 APR 2016

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

- (i) to establish, implement and administer an Employees' Share Option Scheme ("ESOS") of up to fifteen percent (15%) of the prevailing issued and paid-up ordinary share capital of the Company (excluding treasury shares) for the benefit of the eligible Directors and employees of Tomypak and its subsidiary(ies), which are not dormant ("Proposed ESOS"), who meet the criteria of eligibility for participation in the Proposed ESOS in accordance with the provisions of the By-Laws of the Proposed ESOS as set out in Appendix II ("By-Laws") of the circular to shareholders of the Company dated 27 January 2016 and to adopt and approve the By-Laws and to give effect to the Proposed ESOS with full power to assent to any conditions, variations, modifications and/or amendments as may be deemed fit or expedient or necessary and/or imposed/ agreed to by the relevant authorities and execute, sign and deliver on behalf of the Company, all such agreements, arrangements, undertakings, instruments or other documents;
- (ii) do all things necessary and make the necessary applications at the appropriate time or times to Bursa Securities for the listing of and quotation for the new Tomypak Shares which may from time to time be issued and allotted pursuant to the Proposed ESOS;
- (iii) to issue and allot from time to time such number of Tomypak Share as may be required to be issued pursuant to the exercise of the options under the Proposed ESOS provided that the aggregate number of new Tomypak Shares to be issued and allotted pursuant to this resolution shall not exceed in aggregate of fifteen percent (15%) of the issued and paid-up ordinary share capital of the Company at any point of time during the existence of the Proposed ESOS and such new Tomypak Shares to be issued and allotted will, upon issuance and allotment, rank *pari passu* in all respects with the existing Tomypak Shares, save and except that they will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid, the entitlement date of which is prior to the allotment date of the new Tomypak Shares pursuant to the Proposed ESOS;
- (iv) to do all such acts, execute, sign and deliver on behalf of the Company, all such agreements, arrangements, undertakings, instruments or other documents as may be necessary with full powers to assent to any arrangement, condition, modification, variation and/or amendment thereto as the Board may deem fit and/or as may be imposed by any relevant regulatory authorities in connection with the Proposed ESOS; and
- (v) to amend and/or modify the Proposed ESOS from time to time as may be required/ permitted by the relevant regulatory authorities or deemed to be necessary by the Board provided that such amendments and/or modifications are effected in accordance with the provisions in the By-Laws relating to amendments and/or modifications and to do all such acts and steps and to enter into all such transactions, arrangements, undertakings, indemnities, transfers, assignments, deeds and/or guarantees with any party or parties, to deliver and/or cause to be delivered all such documents and to make such rules or regulations, or impose such terms and conditions or delegate part of its powers as may be necessary or expedient to implement, finalise and give full effect to the Proposed ESOS.

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

ORDINARY RESOLUTION 3

PROPOSED ALLOCATION OF ESOS OPTIONS TO TAN SRI DATO' SERI ARSHAD BIN AYUB

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to Tan Sri Dato' Seri Arshad Bin Ayub, the Chairman, Independent Non-Executive Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

ORDINARY RESOLUTION 4

PROPOSED ALLOCATION OF ESOS OPTIONS TO LIM HUN SWEE

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to Lim Hun Swee, the Managing Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

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ANG MUI KIOW
Company Secretary
(LS 0001886)

25 APR 2016

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
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EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

ORDINARY RESOLUTION 5

PROPOSED ALLOCATION OF ESOS OPTIONS TO TAN SEE YIN

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to Tan See Yin, the Non-Independent Non-Executive Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

ORDINARY RESOLUTION 6

PROPOSED ALLOCATION OF ESOS OPTIONS TO YONG KWET ON

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to Yong Kwet On, the Non-Independent Non-Executive Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

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ANG MUI KIOW
Company Secretary
(LS 0001886)

25 APR 2016

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
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ORDINARY RESOLUTION 7

PROPOSED ALLOCATION OF ESOS OPTIONS TO TEOH KOK SWEE @ MICHAEL TEOH

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to Teoh Kok Swee @ Michael Teoh, the Independent Non-Executive Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

ORDINARY RESOLUTION 8

PROPOSED ALLOCATION OF ESOS OPTIONS TO CHIN CHEONG KEE @ CHIN SONG KEE

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to Chin Cheong Kee @ Chin Song Kee, the Independent Non-Executive Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

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ANG MUI KIW
Company Secretary
(LS 0001886)

25 APR 2016

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

ORDINARY RESOLUTION 9

PROPOSED ALLOCATION OF ESOS OPTIONS TO TO' PUAN ROZANA BINTI TAN SRI REDZUAN

RESOLVED:

THAT subject to the passing of Ordinary Resolution 2 and the approval of the relevant authorities or parties being obtained, the Board of Directors of the Company be and is hereby authorised, at any time and from time to time during the duration of the employees' share option scheme ("Proposed ESOS"), to offer and/or grant to To' Puan Rozana Binti Tan Sri Redzuan, the Independent Non-Executive Director of the Company, options to subscribe for such number of ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to be issued under the Proposed ESOS provided that not more than ten percent (10%) of Tomypak Shares available under the Proposed ESOS at the point in time when the offer is made, should be allocated to any individual eligible person who, either singly or collectively through persons connected (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad) to the eligible person, holds twenty percent (20%) or more of the issued and paid-up ordinary share capital (excluding treasury shares) of the Company; and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the Proposed ESOS.

ORDINARY RESOLUTION 10

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF TOMYPAK FROM RM100,000,000 COMPRISING 200,000,000 SHARES TO RM250,000,000 COMPRISING 500,000,000 SHARES

RESOLVED:

THAT subject to the passing of Ordinary Resolutions 1 and 2, approval be and is hereby given for the authorised share capital of the Company to be increased from RM100,000,000 comprising 200,000,000 ordinary shares of RM0.50 each in the Company ("Tomypak Shares") to RM250,000,000 comprising 500,000,000 Tomypak Shares by the creation of an additional 300,000,000 new Tomypak Shares and that the Memorandum and Articles of Association of the Company and all other documents be and are hereby altered accordingly ("Proposed Increase In Authorised Share Capital").

AND THAT the Board of Directors of the Company ("Board") be and is hereby authorised to do all such acts and things as necessary and/or expedient to give full effect to the Proposed Increase In Authorised Share Capital with full power to assent to and accept any conditions, modifications, variations, arrangements and/or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board.

CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 26 FEBRUARY 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD
(Company No. 337743 W)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT SAPPHIRE 3, LEVEL 4, GRAND PARAGON HOTEL JOHOR BAHRU, 18, JALAN HARIMAU, TAMAN CENTURY, 80250 JOHOR BAHRU, JOHOR DARUL TA'ZIM ON FRIDAY, 26 FEBRUARY 2016, AT 9.30 A.M.

SPECIAL RESOLUTION

PROPOSED AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TOMYPAK

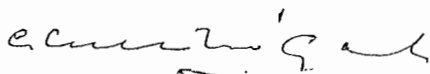
RESOLVED:

THAT, subject to the passing of the Ordinary Resolutions 1, 2 and 10, approval be and is hereby given to the Company to alter, modify, vary and delete the Memorandum and Articles of Association of Tomypak in the following manner:

Existing Clause 5 of the Memorandum and Articles of Association	Proposed Clause 5 of the Memorandum and Articles of Association
The capital of the Company is <u>RM100,000,000.00</u> divided into <u>200,000,000</u> shares of <u>RM0.50</u> each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.	The capital of the Company is <u>RM250,000,000.00</u> divided into <u>500,000,000</u> shares of <u>RM0.50</u> each. The shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.

AND THAT the Board of Directors of the Company ("Board") be and is hereby authorised to do all such acts and things as necessary and/or expedient to give full effect to the Proposed Amendment with full power to assent to and accept any conditions, modifications, variations, arrangements and/or amendments in any manner as may be required by the relevant authorities or deemed necessary by the Board.

CONFIRMED AND SIGNED AS A CORRECT RECORD



Tan Sri Dato' Seri Arshad Bin Ayub
Chairman



Ang Mui Kiow (LS0001886)
Secretary

CERTIFIED TRUE COPY


ANG MUI KIW
Company Secretary
(LS 0001886)

25 APR 2016

INFORMATION ON OUR COMPANY

1. HISTORY AND BUSINESS

Our Company was incorporated in Malaysia under the Act as a public limited company known as Tomyapak Holdings Berhad on 28 March 1995. The shares of our Company were listed on the Second Board of Bursa Securities on 11 June 1996. Subsequently, the shares of our Company were listed on the Main Board of the Bursa Securities (now known as Main Market of Bursa Securities) on 3 August 2009 due to the implementation of a new framework by Bursa Securities of merging all Main Board and Second Board companies into a single board known as 'Main Market'.

At present, our Company's principal activities are that of investment holding and the provision of management services. Through our subsidiaries, our Group is principally involved in the manufacturing and sales of packaging materials, polyethylene, polypropylene films and sheets and general trading of packaging materials.

Further details on the principal activities of our subsidiaries are set out in Section 6 of this Appendix.

2. SHARE CAPITAL

As at the LPD, our authorised and issued and paid-up share capital is as follows:

Type	No. of Shares	Par value (RM)	Total (RM)
Authorised	500,000,000	0.50	250,000,000
Issued and fully paid-up	109,467,550	0.50	54,733,775

In addition, as at the LPD, our Company does not have any convertible securities.

3. CHANGES IN SHARE CAPITAL

3.1 Authorised share capital

Save as disclosed below, there are no other changes in our authorised share capital for the past three (3) years preceding the LPD:

Date of change	No. of Shares	Par value (RM)	Description	Cumulative authorised share capital (RM)
26 February 2016	500,000,000	0.50	Increase in authorised share capital	250,000,000

INFORMATION ON OUR COMPANY (Cont'd)

3.2 Issued and paid-up share capital

Save as disclosed below, there are no other changes in the issued and paid up share capital of our Company for the past three (3) years preceding the LPD:

Date of allotment	No. of Shares	Par value (RM)	Consideration/ Type of issue	Cumulative issued and paid-up share capital (RM)
21 January 2013	7,000	0.50	ESOS ⁽¹⁾	54,635,825
22 February 2013	22,700	0.50	ESOS ⁽¹⁾	54,647,175
20 March 2013	12,000	0.50	ESOS ⁽¹⁾	54,653,175
4 April 2013	40,000	0.50	ESOS ⁽¹⁾	54,673,175
18 April 2013	33,200	0.50	ESOS ⁽¹⁾	54,689,775
3 May 2013	88,000	0.50	ESOS ⁽¹⁾	54,733,775

Note:

(1) The ESOS has expired on 5 May 2013.

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INFORMATION ON OUR COMPANY (Cont'd)**4. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS**

The proforma effects of the Rights Issue with Warrants and ESOS on the substantial shareholders' shareholdings of Tomypak based on the register of substantial shareholders as at the LPD are set out below:

Minimum Scenario:

Substantial shareholders	Shareholdings as at the LPD				Proforma I After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%
New Orient	28,887,401	26.39	-	-	43,331,102	31.62	-	-
Yong Kwet On	-	-	28,887,401 ⁽¹⁾	26.39	-	-	43,331,102 ⁽¹⁾	31.62
LHS	17,540,000	16.02	-	-	26,310,000	19.20	-	-
Tan Sri Arshad	3,240,200	2.96	5,510,000 ⁽²⁾	5.03	4,860,300	3.55	8,265,000 ⁽²⁾	6.03
Zalaraz	5,510,000	5.03	-	-	8,265,000	6.03	-	-
Substantial shareholders	Proforma II After Proforma I and full exercise of Warrants				Proforma III After Proforma II and full exercise of ESOS Options			
	Direct		Indirect		Direct		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%
New Orient	57,774,803	35.09	-	-	57,774,803	30.51	-	-
Yong Kwet On	-	-	57,774,803 ⁽¹⁾	35.09	136,835 ⁽³⁾	0.07	57,774,803 ⁽¹⁾	30.51
LHS	35,080,000	21.31	-	-	35,736,805 ⁽³⁾	18.87	-	-
Tan Sri Arshad	6,480,400	3.94	11,020,000 ⁽²⁾	6.69	6,617,235 ⁽³⁾	3.49	11,020,000 ⁽²⁾	5.82
Zalaraz	11,020,000	6.69	-	-	11,020,000	5.82	-	-

INFORMATION ON OUR COMPANY (Cont'd)

Notes:

- (1) Deemed interested by virtue of interest in New Orient.
- (2) Deemed interested by virtue of his substantial shareholdings in Zalaraz.
- (3) Assuming Yong Kwet On, LHS and Tan Sri Arshad, who are the Eligible Persons under the ESOS, are granted the following number of ESOS Options:

<i>Director</i>	<i>ESOS Options to be granted</i>	
	<i>Number</i>	<i>%</i>
<i>Yong Kwet On</i>	<i>136,835</i>	<i>0.55</i>
<i>LHS</i>	<i>656,805</i>	<i>2.66</i>
<i>Tan Sri Arshad</i>	<i>136,835</i>	<i>0.55</i>

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INFORMATION ON OUR COMPANY (Cont'd)

Maximum Scenario:

Substantial shareholders	Shareholdings as at the LPD				Proforma I After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%
New Orient	28,887,401	26.39	-	-	43,331,102	26.39	-	-
Yong Kwet On	-	-	28,887,401 ⁽¹⁾	26.39	-	-	43,331,102 ⁽¹⁾	26.39
LHS	17,540,000	16.02	-	-	26,310,000	16.02	-	-
Tan Sri Arshad	3,240,200	2.96	5,510,000 ⁽²⁾	5.03	4,860,300	2.96	8,265,000 ⁽²⁾	5.03
Zalaraz	5,510,000	5.03	-	-	8,265,000	5.03	-	-
Substantial shareholders	Proforma II After Proforma I and full exercise of Warrants				Proforma III After Proforma II and full exercise of ESOS Options			
	Direct		Indirect		Direct		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%
New Orient	57,774,803	26.39	-	-	57,774,803	22.95	-	-
Yong Kwet On	-	-	57,774,803 ⁽¹⁾	26.39	136,835 ⁽³⁾	0.05	57,774,803 ⁽¹⁾	22.95
LHS	35,080,000	16.02	-	-	35,736,805 ⁽³⁾	14.19	-	-
Tan Sri Arshad	6,480,400	2.96	11,020,000 ⁽²⁾	5.03	6,617,235 ⁽³⁾	2.63	11,020,000 ⁽²⁾	4.38
Zalaraz	11,020,000	5.03	-	-	11,020,000	4.38	-	-

INFORMATION ON OUR COMPANY (Cont'd)*Notes:*

- (1) *Deemed interested by virtue of interest in New Orient.*
- (2) *Deemed interested by virtue of his substantial shareholdings in Zalaraz.*
- (3) *Assuming Yong Kwet On, LHS and Tan Sri Arshad, who are the Eligible Persons under the ESOS, are granted the following number of ESOS Options:*

<i>Director</i>	<i>ESOS Options to be granted</i>	
	<i>Number</i>	<i>%</i>
<i>Yong Kwet On</i>	<i>136,835</i>	<i>0.42</i>
<i>LHS</i>	<i>656,805</i>	<i>2.00</i>
<i>Tan Sri Arshad</i>	<i>136,835</i>	<i>0.42</i>

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INFORMATION ON OUR COMPANY (Cont'd)**5. BOARD OF DIRECTORS OF TOMYPAK****5.1 Details of the Directors of Tomypak**

Name	Age	Nationality	Profession	Designation	Address
Tan Sri Dato' Seri Arshad Bin Ayub	87	Malaysian	Company Director	Chairman, Independent Non-Executive Director	25, Jalan Permata 7/1 40000 Shah Alam Selangor
Lim Hun Swee	64	Singaporean	Company Director	Managing Director	1189 Jalan Mewah Bandar Putra 81000 Kulai Johor
Tan See Yin	60	Malaysian	Company Director	Executive Director	60 Jalan SS3/72 47300 Petaling Jaya Selangor
Yong Kwet On	59	Malaysian	Company Director	Non-Independent Non-Executive Director	32-2 Izen Kiara 2 Jalan Kiara Mont Kiara 50480 Kuala Lumpur
Chin Cheong Kee @ Chin Song Kee	68	Malaysian	Company Director	Independent Non-Executive Director	30 Jalan Jingga Taman Pelangi 80400 Johor Bahru Johor
To' Puan Rozana Binti Tan Sri Redzuan	51	Malaysian	Company Director	Independent Non-Executive Director	12 Lorong Taman Pantai 2 Taman Bukit Pantai 59100 Kuala Lumpur

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INFORMATION ON OUR COMPANY (Cont'd)**5.2 Directors' shareholdings**

The proforma effects of the Rights Issue with Warrants and ESOS on the Directors' shareholding of Tomypak based on the register of Directors' shareholdings as at the LPD are set out below:

Minimum Scenario:

Directors	Shareholdings as at the LPD				Proforma I			
	Direct		Indirect		After the Rights Issue with Warrants		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held	%
Tan Sri Arshad	3,240,200	2.96	5,510,000 ⁽¹⁾	5.03	4,860,300	3.55	8,265,000 ⁽¹⁾	6.03
LHS	17,540,000	16.02	-	-	26,310,000	19.20	-	-
Chin Cheong Kee @ Chin Song Kee	20,000	0.02	-	-	20,000	0.01	-	-
Yong Kwet On	-	-	28,887,401 ⁽²⁾	26.39	-	-	43,331,102 ⁽²⁾	31.62
Tan See Yin	-	-	-	-	-	-	-	-
To' Puan Rozana Binti Tan Sri Redzuan	-	-	-	-	-	-	-	-

INFORMATION ON OUR COMPANY (Cont'd)

Minimum Scenario (Cont'd):

Directors	Proforma II				Proforma III			
	After Proforma I and full exercise of Warrants		Indirect		After Proforma II and full exercise of ESOS Options		Indirect	
	Direct	No. of Tomypak Shares held	%	No. of Tomypak Shares held	Direct	No. of Tomypak Shares held	%	No. of Tomypak Shares held
Tan Sri Arshad	6,480,400	3.94	11,020,000 ⁽¹⁾	6.69	6,617,235 ⁽³⁾	3.49	11,020,000 ⁽¹⁾	5.82
LHS	35,080,000	21.31	-	-	35,736,805 ⁽³⁾	18.87	-	-
Chin Cheong Kee @ Chin Song Kee	20,000	0.01	-	-	156,835 ⁽³⁾	0.08	-	-
Yong Kwet On	-	-	57,774,803 ⁽²⁾	35.09	136,835 ⁽³⁾	0.07	57,774,803 ⁽²⁾	30.51
Tan See Yin	-	-	-	-	328,403 ⁽³⁾	0.17	-	-
To' Puan Rozana Binti Tan Sri Redzuan	-	-	-	-	136,835 ⁽³⁾	0.07	-	-

Notes:

- (1) Deemed interested by virtue of his substantial shareholdings in Zalaraz.
- (2) Deemed interested by virtue of interest in New Orient.
- (3) Assuming Tan Sri Arshad, LHS, Chin Cheong Kee @ Chin Song Kee, Yong Kwet On, Tan See Yin and To' Puan Rozana Binti Tan Sri Redzuan, who are the Eligible Persons under the ESOS, are granted the following number of ESOS Options:

Director	ESOS Options to be granted	
	Number	%
Tan Sri Arshad	136,835	0.55
LHS	656,805	2.66
Chin Cheong Kee @ Chin Song Kee	136,835	0.55
Yong Kwet On	136,835	0.55
Tan See Yin	328,403	1.33
To' Puan Rozana Binti Tan Sri Redzuan	136,835	0.55

INFORMATION ON OUR COMPANY (Cont'd)**Maximum Scenario:**

Directors	Shareholdings as at the LPD				Proforma I After the Rights Issue with Warrants			
	Direct		Indirect		Direct		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held ⁽¹⁾	%	No. of Tomypak Shares held	%	No. of Tomypak Shares held ⁽¹⁾	%
Tan Sri Arshad	3,240,200	2.96	5,510,000 ⁽¹⁾	5.03	4,860,300	2.96	8,265,000 ⁽¹⁾	5.03
LHS	17,540,000	16.02	-	-	26,310,000	16.02	-	-
Chin Cheong Kee @ Chin Song Kee	20,000	0.02	-	-	30,000	0.02	-	-
Yong Kwet On	-	-	28,887,401 ⁽²⁾	26.39	-	-	43,331,102 ⁽²⁾	26.39
Tan See Yin	-	-	-	-	-	-	-	-
To' Puan Rozana Binti Tan Sri Redzuan	-	-	-	-	-	-	-	-

Directors	Proforma II After Proforma I and full exercise of Warrants				Proforma III After Proforma II and full exercise of ESOS Options			
	Direct		Indirect		Direct		Indirect	
	No. of Tomypak Shares held	%	No. of Tomypak Shares held ⁽¹⁾	%	No. of Tomypak Shares held ⁽³⁾	%	No. of Tomypak Shares held ⁽¹⁾	%
Tan Sri Arshad	6,480,400	2.96	11,020,000 ⁽¹⁾	5.03	6,617,235 ⁽³⁾	2.63	11,020,000 ⁽¹⁾	4.38
LHS	35,080,000	16.02	-	-	35,736,805 ⁽³⁾	14.19	-	-
Chin Cheong Kee @ Chin Song Kee	40,000	0.02	-	-	176,835 ⁽³⁾	0.07	-	-
Yong Kwet On	-	-	57,774,803 ⁽²⁾	26.39	136,835 ⁽³⁾	0.05	57,774,803 ⁽²⁾	22.95
Tan See Yin	-	-	-	-	328,403 ⁽³⁾	0.13	-	-
To' Puan Rozana Binti Tan Sri Redzuan	-	-	-	-	136,835 ⁽³⁾	0.05	-	-

INFORMATION ON OUR COMPANY (Cont'd)

Notes:

- (1) Deemed interested by virtue of his substantial shareholdings in Zalaraz.
- (2) Deemed interested by virtue of interest in New Orient.
- (3) Assuming Tan Sri Arshad, LHS, Chin Cheong Kee @ Chin Song Kee, Yong Kwet On, Tan See Yin and To' Puan Rozana Binti Tan Sri Redzuan, who are the Eligible Persons under the ESOS, are granted the following number of ESOS Options:

Director	ESOS Options to be granted	
	Number	%
Tan Sri Arshad	136,835	0.42
LHS	656,805	2.00
Chin Cheong Kee @ Chin Song Kee	136,835	0.42
Yong Kwet On	136,835	0.42
Tan See Yin	328,403	1.00
To' Puan Rozana Binti Tan Sri Redzuan	136,835	0.42

6. SUBSIDIARIES AND ASSOCIATE COMPANIES

As at the LPD, our subsidiary companies are set out as below:

Name of company	Date/ Country of incorporation	Effective equity interest %	Principal activities	Issued and paid-up share capital
Tomypak Flexible Packaging Sdn Bhd (Formerly known as Tomypak Flexible Packaging Berhad)	29 November 1979/ Malaysia	100	Manufacture and sale of packaging materials, polyethylene, polypropylene films and sheets.	RM100,000,000
Tomypak Flexible Packaging (S) Pte Ltd (Formerly known as Tomypak Flexible (S) Pte Ltd)	11 April 2016/ Singapore	70	General trading of packaging materials.	Singapore Dollars 10.00

As at the LPD, our Company does not have any associate company.

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INFORMATION ON OUR COMPANY (Cont'd)**7. PROFIT AND DIVIDEND RECORDS**

The profit and dividend records based on our Group's audited consolidated financial statements from the FYE 31 December 2013 to 31 December 2015 and the unaudited financial results for the three (3) months FPE 31 March 2015 and 31 March 2016 are as follows:

	<----- Audited ----->			<----- Unaudited ----->	
	<----- FYE 31 December----->			Three (3) months <-----FPE 31 March ----->	
	2013	2014	2015	2015	2016
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	224,487	209,039	214,099	52,108	51,362
Cost of goods sold	(191,841)	(188,011)	(175,895)	(42,398)	(43,483)
Gross profit	32,646	21,028	38,204	9,710	7,879
Other income	859	1,274	4,297	741	91
Distribution expenses	(4,916)	(4,358)	(3,901)	(947)	(953)
Administrative expenses	(7,735)	(5,445)	(6,191)	(1,597)	(1,538)
Other expenses	(175)	(293)	(775)	(207)	(717)
Results from operating activities	20,679	12,206	31,634	7,700	4,762
Finance income	299	264	204	49	23
Finance costs	(1,075)	(877)	(544)	(172)	(123)
PBT	19,903	11,593	31,294	7,577	4,662
Tax expense	(5,686)	(3,341)	(8,130)	(2,250)	(1,150)
Profit for the year/ Total comprehensive income for the year	14,217	8,252	23,164	5,327	3,512
EBITDA	32,445	23,927	43,337	10,626	7,748
Gross profit margin (%)	14.54	10.06	17.84	18.63	15.34
PBT margin (%)	8.87	5.55	14.62	14.54	9.08
Weighted average number of Tomypak Shares in issue (excluding treasury shares) ('000)	109,298	109,340	109,351	109,341	109,467
Basic EPS (sen)	13.00	7.55	21.18	4.87	3.21
Diluted EPS (sen)	13.00	7.55	21.18	4.87	3.21
Gross dividend per Tomypak Share (sen)	8.00	5.00	10.00	1.50	2.00

As at the LPD, Tomypak Group has a dividend policy of distributing at least 40% of its annual net profit to the shareholders.

INFORMATION ON OUR COMPANY (Cont'd)

Commentary on the financial performances**FPE 31 March 2016**

For the FPE 31 March 2016, our Group achieved a revenue of RM51.36 million, which represents a marginal decrease of RM0.75 million or 1.44%, as compared to RM52.11 million for the same period last year. This was mainly attributable to a slight reduction in demand from overseas customers.

Our Group recorded a lower PBT of RM4.66 million, representing a decrease of RM2.92 million or 38.52%, as compared to the PBT of RM7.58 million in the previous corresponding period mainly due to increased cost of production arising from increased cost of imported raw materials, higher energy and labour cost. Foreign exchange volatility contributed significantly to the reduction in profit for the FPE 31 March 2016.

FYE 31 December 2015

For the FYE 31 December 2015, our Group achieved a revenue of RM214.10 million, which represents a marginal increase of RM5.06 million or 2.42%, as compared to RM209.04 million achieved in the previous financial year. The increase in revenue was attributable to the increase in domestic sales as our domestic customers' base has increased. The domestic sales had recorded RM97.04 million in the FYE 31 December 2015, as compared to RM90.27 million in the FYE 31 December 2014, representing an increase of RM6.77 million or 7.50%.

In tandem with the increase in revenue, our Group registered a PBT of RM31.29 million for the FYE 31 December 2015, which represents an increase of RM19.70 million or 169.97% as compared to the previous financial year's PBT of RM11.59 million. The increase was mainly contributed by better sales mix, continuous improvement in production efficiency, cost reduction initiatives and to a lesser extent, gain on foreign exchange.

FYE 31 December 2014

For the FYE 31 December 2014, our Group registered a revenue of RM209.04 million which represents a decrease of approximately RM15,448 or 6.88% as compared to the preceding financial year. The decrease in revenue was mainly attributed to the decrease in demand in the local market. The local sales had recorded RM90.27 million in the FYE 31 December 2014, as compared to RM112.21 million in the FYE 31 December 2013, representing a decrease of RM21.94 million or 19.55%. The uncertainties of global economy, the rising cost of doing business and the higher cost of living due to the curbing subsidies of essential items had affected Malaysia's consumer sentiment. Towards the end of 2014, the fall of global crude oil prices, the weakening of Ringgit Malaysia, the advent of GST, have been deteriorating the domestic consumer market.

Our Group posted a PBT of RM11.59 million, representing a decrease of RM8.31 million or 41.75% as compared to the PBT of the preceding financial year. The lower PBT was mainly attributed to lower sales in local market coupled with a decline in profit margin due to competition in the export market and the increase in cost of production arising from higher energy and labour cost.

INFORMATION ON OUR COMPANY (Cont'd)**FYE 31 December 2013**

For the FYE 31 December 2013, our Group achieved a revenue of RM224.49 million, which represents a slight increase of RM7.76 million or 3.58%, as compared to RM216.72 million achieved in the previous financial year. The increase in revenue was attributable to the growth achieved in the export market (mainly South East Asia region). The export sales had recorded RM112.81 million in the FYE 31 December 2013, as compared to RM97.22 million in the FYE 31 December 2012, representing an increase of 16.04%.

However, our Group registered a lower PBT of RM19.90 million for the FYE 31 December 2013, which represents a decrease of 14.33% as compared to the previous financial year's PBT of RM23.23 million. The decrease was mainly due to higher raw materials prices, higher labour costs primarily due to the enforcement of the minimum wage policy in Malaysia.

8. HISTORICAL PRICES

The monthly high and low transacted market prices of Tomypak Shares as traded on Bursa Securities for the past twelve (12) months from May 2015 to April 2016 are as follows:

	Low (RM)	High (RM)
2015		
May	1.50	1.85
June	1.59	1.75
July	1.59	1.79
August	1.62	1.82
September	1.69	2.05
October	2.17	2.40
November	2.46	2.95
December	2.48	2.76
2016		
January	2.68	2.47
February	2.53	2.42
March	2.45	2.36
April	2.45	2.37

The last transacted price of Tomypak Shares on 30 November 2015 (being the last day on which Tomypak Shares were traded, prior to the date of announcement of the Corporate Exercises)	(RM) 2.61
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The last transacted price of Tomypak Shares on the LPD	2.56
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The last transacted price of Tomypak Shares on 31 May 2016, being the last Market Day prior to the ex-date of the Rights Issue with Warrants	2.49
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(Source: Bloomberg Finance L.P.)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON



KPMG (Firm No. AF 0758)
Chartered Accountants
Level 14, Menara Ansar
65, Jalan Trus
80000 Johor Bahru, Malaysia

Telephone +60 (7) 224 2870
Fax +60 (7) 224 8055
Internet www.kpmg.com.my

The Board of Directors
Tomypak Holdings Berhad
11 Jalan Tahana
Tampoi Industrial Estate
80350 Johor Bahru

23 May 2016

Dear Sirs

Tomypak Holdings Berhad (“Tomypak” or the “Company”)
Report on the compilation of pro forma consolidated statements of financial position for inclusion in the Company’s Abridged Prospectus in relation to the renounceable rights issue of up to 54,733,775 new ordinary shares of RM0.50 each in Tomypak (“Tomypak Share(s)” (“Rights Share(s)”) on the basis of one (1) Rights Share for every two (2) existing Tomypak Shares held on the Entitlement Date, together with up to 54,733,775 free detachable warrants (“Warrant(s)”) on the basis of one (1) Warrant for every one (1) Rights Share subscribed, at an issue price of RM1.00 per Rights Share payable in full upon acceptance (“Rights Issue with Warrants”)

We have completed our assurance engagement to report on the compilation of the pro forma consolidated statements of financial position of Tomypak Holdings Berhad and its subsidiary (collectively, the “Group”) prepared by the management of the Company (the “Management”). The pro forma consolidated statements of financial position as at 31 December 2015 and related notes as attached to this report in Appendix 1 have been stamped by us for identification purposes. The applicable criteria on the basis of which the Management has compiled the pro forma consolidated statements of financial position are described in the notes to the pro forma consolidated statements of financial position.

The pro forma consolidated statements of financial position has been compiled by the Management for inclusion in the Abridged Prospectus solely to illustrate the impact of the events or transactions as set out in Note 2 of Appendix 1 on the Group’s consolidated statements of financial position as at 31 December 2015, as if the events or transactions had taken place as at 31 December 2015. As part of this process, information about the Group’s financial position has been extracted by the Management from the financial statements of the Group for the financial year ended 31 December 2015, on which an audit report has been issued.

Management’s Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Management is responsible for compiling the pro forma consolidated statements of financial position on the basis described in Note 1 in Appendix 1.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)



Tomypak Holdings Berhad
Report on the compilation of the pro forma consolidated statements of financial position for
inclusion in the Company's Abridged Prospectus in connection with the Rights Issue with Warrants
23 May 2016

Reporting Accountants' Independence and Quality Control

We have complied with the independence and other ethical requirement of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Control 1 (ISQC 1), *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion about whether the pro forma consolidated statements of financial position have been compiled, in all material respects, by the Management on the basis described in Note 1 in Appendix 1.

We conducted our engagement in accordance with International Standard on Assurance Engagement (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the pro forma consolidated statements of financial position on the basis described in Note 1 in Appendix 1.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statements of financial position.

The purpose of the pro forma consolidated statements of financial position included in the Abridged Prospectus is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the entities as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)



Tomypak Holdings Berhad
Report on the compilation of the pro forma consolidated statements of financial position for inclusion in the Company's Abridged Prospectus in connection with the Rights Issue with Warrants
 23 May 2016

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the pro forma consolidated statements of financial position provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma consolidated statements of financial position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma consolidated statements of financial position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma consolidated statements of financial position has been compiled, in all material respects, on the basis stated in Note 1 in Appendix 1.

Other Matters

Our report on the pro forma consolidated statements of financial position has been prepared for inclusion in the Abridged Prospectus in connection with the Rights Issue with Warrants and should not be relied upon for any other purposes.

KPMG
 Firm Number: AF 0758
 Chartered Accountants

Tan Teck Eng
 Approval Number: 2986/05/16 (J)
 Chartered Accountant

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

APPENDIX 1

TOMYPAK HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

The pro forma consolidated statements of financial position of Tomypak Holdings Berhad ("Tomypak" or the "Company") and its subsidiary (the "Group") as at 31 December 2015 as set out below has been prepared for illustrative purposes only and to show the effects of the events or transactions referred to in the notes, and should be read in conjunction with the notes accompanying the pro forma consolidated statements of financial position:

i) Minimum Scenario

	As at 31 December 2015* RM'000	Pro forma I After taking into account subsequent event after the financial year ended 31 December 2015 RM'000	Pro forma II After Pro forma I and the Rights Issue with Warrants RM'000	Pro forma III After Pro forma II and full exercise of Warrants RM'000	Pro forma IV After Pro forma III and the ESOS RM'000	Pro forma V After Pro forma IV and full exercise of ESOS options RM'000
Assets						
Property, plant and equipment	84,164	84,164	84,164	84,164	84,164	84,164
Total non-current assets	84,164	84,164	84,164	84,164	84,164	84,164
Inventories	32,771	32,771	32,771	32,771	32,771	32,771
Trade and other receivables	62,583	62,583	62,583	62,583	62,583	62,583
Tax recoverable	5	5	5	5	5	5
Cash and cash equivalents	11,715	6,242	33,231	96,409	96,409	141,604
Total current assets	107,074	101,601	128,590	191,768	191,768	236,963
Total assets	191,238	185,765	212,754	275,932	275,932	321,127

* Extracted from the audited financial statements of the Group for the financial year ended 31 December 2015

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (continued)

i) Minimum Scenario (continued)

	As at 31 December 2015* RM'000	Pro forma I After taking into account subsequent event after the financial year ended 31 December 2015 RM'000	Pro forma II After Pro forma I and the Rights Issue with Warrants RM'000	Pro forma III After Pro forma II and full exercise of Warrants RM'000	Pro forma IV After Pro forma III and the ESOS RM'000	Pro forma V After Pro forma IV and full exercise of ESOS options RM'000
Equity						
Share capital	54,733	54,733	68,527	82,321	82,321	94,669
Share premium	987	987	4,850	64,166	64,166	109,855
Warrants reserve	--	--	9,932	--	--	--
ESOS reserve	--	--	--	--	12,842	--
Merger reserve	2,991	2,991	2,991	2,991	2,991	2,991
Retained earnings	67,210	61,737	61,137	61,137	48,295	48,295
Total equity	125,921	120,448	147,437	210,615	210,615	255,810
Liabilities						
Loan and borrowings	6,294	6,294	6,294	6,294	6,294	6,294
Deferred tax liabilities	8,782	8,782	8,782	8,782	8,782	8,782
Employee benefits	609	609	609	609	609	609
Total non-current liabilities	15,685	15,685	15,685	15,685	15,685	15,685

* Extracted from the audited financial statements of the Group for the financial year ended 31 December 2015

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (continued)

i) Minimum Scenario (continued)

	Note	As at 31 December 2015* RM'000	Pro forma I After taking into account subsequent event after the financial year ended 31 December 2015 RM'000	Pro forma II After Pro forma I and the Rights Issue with Warrants RM'000	Pro forma III After Pro forma II and full exercise of Warrants RM'000	Pro forma IV After Pro forma III and the ESOS RM'000	Pro forma V After Pro forma IV and full exercise of ESOS options RM'000
Trade and other payables		23,842	23,842	23,842	23,842	23,842	23,842
Loans and borrowings		23,241	23,241	23,241	23,241	23,241	23,241
Taxation		2,229	2,229	2,229	2,229	2,229	2,229
Dividends payable		320	320	320	320	320	320
Total current liabilities		49,632	49,632	49,632	49,632	49,632	49,632
Total liabilities		65,317	65,317	65,317	65,317	65,317	65,317
Total equity and liabilities		191,238	185,765	212,754	275,932	275,932	321,127

* Extracted from the audited financial statements of the Group for the financial year ended 31 December 2015

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (continued)

ii) Maximum Scenario

	As at 31 December 2015* RM'000	Pro forma I After taking into account subsequent event after the financial year ended 31 December 2015 RM'000	Pro forma II After Pro forma I and the Rights Issue with Warrants RM'000	Pro forma III After Pro forma II and full exercise of Warrants RM'000	Pro forma IV After Pro forma III and the ESOS RM'000	Pro forma V After Pro forma IV and full exercise of ESOS options RM'000
Assets						
Property, plant and equipment	84,164	84,164	84,164	84,164	84,164	84,164
Total non-current assets	84,164	84,164	84,164	84,164	84,164	84,164
Inventories	32,771	32,771	32,771	32,771	32,771	32,771
Trade and other receivables	62,583	62,583	62,583	62,583	62,583	62,583
Tax recoverable	5	5	5	5	5	5
Cash and cash equivalents	11,715	6,242	60,376	185,716	185,716	245,814
Total current assets	107,074	101,601	155,735	281,075	281,075	341,173
Total assets	191,238	185,765	239,899	365,239	365,239	425,337

* Extracted from the audited financial statements of the Group for the financial year ended 31 December 2015

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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TOMYPAK HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (continued)

ii) Maximum Scenario (continued)

	As at 31 December 2015*	Pro forma I After taking into account subsequent event after the financial year ended 31 December 2015	Pro forma II After Pro forma I and the Rights Issue with Warrants	Pro forma III After Pro forma II and full exercise of Warrants	Pro forma IV After Pro forma III and the ESOS	Pro forma V After Pro forma IV and full exercise of ESOS options
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Equity						
Share capital	54,733	54,733	82,100	109,467	109,467	125,887
Share premium	987	987	8,651	126,327	126,327	187,082
Warrants reserve	--	--	19,703	--	--	--
ESOS reserve	--	--	--	--	17,077	--
Merger reserve	2,991	2,991	2,991	2,991	2,991	2,991
Retained earnings	67,210	61,737	61,137	61,137	44,060	44,060
Total equity	125,921	120,448	174,582	299,922	299,922	360,020
Liabilities						
Loan and borrowings	6,294	6,294	6,294	6,294	6,294	6,294
Deferred tax liabilities	8,782	8,782	8,782	8,782	8,782	8,782
Employee benefits	609	609	609	609	609	609
Total non-current liabilities	15,685	15,685	15,685	15,685	15,685	15,685

* Extracted from the audited financial statements of the Group for the financial year ended 31 December 2015

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2015 (continued)

ii) Maximum Scenario (continued)

	As at 31 December 2015*	Pro forma I After taking into account subsequent event after the financial year ended 31 December 2015	Pro forma II After Pro forma I and the Rights Issue with Warrants	Pro forma III After Pro forma II and full exercise of Warrants	Pro forma IV After Pro forma III and the ESOS	Pro forma V After Pro forma IV and full exercise of ESOS options
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trade and other payables	23,842	23,842	23,842	23,842	23,842	23,842
Loans and borrowings	23,241	23,241	23,241	23,241	23,241	23,241
Taxation	2,229	2,229	2,229	2,229	2,229	2,229
Dividends payable	320	320	320	320	320	320
Total current liabilities	49,632	49,632	49,632	49,632	49,632	49,632
Total liabilities	65,317	65,317	65,317	65,317	65,317	65,317
Total equity and liabilities	191,238	185,765	239,899	365,239	365,239	425,337

* Extracted from the audited financial statements of the Group for the financial year ended 31 December 2015

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

APPENDIX 1

TOMYPAK HOLDINGS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

1. Basis of preparation

The pro forma consolidated statements of financial position of the Group as at 31 December 2015 has been prepared based on the audited financial statements of the Group for the year ended 31 December 2015, which was prepared in accordance with the approved accounting standards as defined in the Financial Reporting Act 1997, and in a manner consistent with the format of the statement of financial position and the accounting policies adopted by the Group.

The audited financial statements of the Group for the year ended 31 December 2015 were prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The pro forma consolidated statements of financial position does not include the effects of the adoption of Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board which are effective for the annual period beginning on 1 January 2016.

The auditors' reports of the audited financial statements of the Group for the year ended 31 December 2015 were not subject to any qualification, modification or disclaimer of opinion.

The pro forma consolidated statements of financial position has been prepared for illustrative purposes only, and because of its nature, may not give a true picture of the actual financial position of the Group.

2. Pro forma adjustments to the pro forma consolidated statements of financial position as at 31 December 2015

The pro forma consolidated statements of financial position has been prepared in connection with the following corporate exercises, for inclusion in the Company's Abridged Prospectus in relation to the Rights Issue with Warrants.

- a) Renounceable rights issue of up to 54,733,775 new ordinary shares of RM0.50 each in Tomypak ("Tomypak Share(s)" or "Share(s)") ("Rights Share(s)") on the basis of one (1) Rights Share for every two (2) existing Tomypak Shares held on the Entitlement Date, together with up to 54,733,775 free detachable warrants ("Warrant(s)") on the basis of one (1) Warrant for every one (1) Rights Share subscribed, at an issue price of RM1.00 per Rights Share payable in full upon acceptance ("Rights Issue with Warrants");
- b) Establishment of an employees' share option scheme of up to fifteen percent (15%) of the prevailing issued and paid-up capital ordinary share capital of Tomypak (excluding treasury shares) for the eligible Directors and employees of Tomypak and its subsidiary (ies) ("ESOS") and is assumed to be implemented after the completion of the Rights Issue with Warrants and the subsequent full exercise of Warrants;
- c) Increase in the authorised share capital of Tomypak from 100,000,000 comprising 200,000,000 Shares to RM250,000,000 comprising 500,000,000 Shares; and
- d) Amendment to the Memorandum and Articles of Association of Tomypak.

(collectively, the "Corporate Exercises")

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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TOMYPAK HOLDINGS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

Accordingly, the pro forma consolidated statements of financial position, which has been prepared for illustrative purposes only, incorporates the following events or transactions as if they were effected on 31 December 2015:

a) Pro forma I – Subsequent event after the financial year ended 31 December 2015

Pro forma I incorporates the following subsequent event after the financial year ended 31 December 2015:

- i) Dividend payment to the Company's shareholders amounting to approximately RM5.47 million.

b) Pro forma II – Rights Issue with Warrants

Pro forma II incorporates pro forma I and the effects of the Rights Issue with Warrants.

i) Minimum Scenario

Under the Minimum Scenario, it is assumed that only the undertaking shareholders, namely New Orient Resources Sdn Bhd, Lim Hun Swee, Tan Sri Dato' Seri Arshad Bin Ayub and Zalaraz Sdn Bhd, subscribe in full for their respective entitlements in the Rights Shares arising from the Rights Issue with Warrants based on their shareholdings as at 18 May 2016.

This would result in the issuance of 27,588,801 Rights Shares with 27,588,801 Warrants and gross proceeds of RM27.59 million to be raised by the Company, which is expected to be utilised in the following manner:

	RM'000
Construction of a new factory building	16,989
Purchase of machineries, equipment and other ancillary facilities	5,000
Working capital	5,000
Estimated expenses in relation to the Corporate Exercises ⁽¹⁾	<u>600</u>
Total	<u>27,589</u>

⁽¹⁾ The estimated expenses in relation to the Corporate Exercises, which comprises professional fees, fees payable to the relevant authorities and other related expenses, is assumed to be entirely expensed off to the retained profits of the Company.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

APPENDIX 1

TOMYPAK HOLDINGS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

ii) Maximum Scenario

Under the Maximum Scenario, it is assumed that all the existing shareholders of Tomypak subscribe for their entitlements pursuant to the Rights Issue with Warrants.

This would result in the issuance of 54,733,775 Rights Shares with 54,733,775 Warrants and gross proceeds of RM54.73 million to be raised by the Company, which is expected to be utilised in the following manner:

	RM'000
Construction of a new factory building	33,366
Purchase of machineries, equipment and other ancillary facilities	15,768
Working capital	5,000
Estimated expenses in relation to the Corporate Exercises ⁽¹⁾	<u>600</u>
Total	<u>54,734</u>

⁽¹⁾ The estimated expenses in relation to the Corporate Exercises, which comprises professional fees, fees payable to the relevant authorities and other related expenses, is assumed to be entirely expensed off to the retained profits of the Company.

c) Pro forma III – Full exercise of Warrants

Pro forma III incorporates pro forma II and assumes the full exercise of Warrants issued pursuant to the Rights Issue with Warrants.

i) Minimum Scenario

Under the Minimum Scenario, 27,588,801 Warrants are assumed to be exercised into Tomypak Shares at an exercise price of RM2.29 per Warrant, resulting in a total of RM63.18 million proceeds to be raised by the Company.

ii) Maximum Scenario

Under the Maximum Scenario, 54,733,775 Warrants are assumed to be exercised into Tomypak Shares at an exercise price of RM2.29 per Warrant, resulting in a total of RM125.34 million proceeds raised by the Company.

d) Pro forma IV – ESOS

Pro forma IV incorporates pro forma III and the ESOS, and is assumed to be implemented after the completion of the Rights Issue with Warrants and the subsequent full exercise of Warrants.

i) Minimum Scenario

Under the Minimum Scenario, it is assumed that 24,696,773 ESOS options are granted pursuant to the ESOS, which is equivalent to 15% of the issued and paid-up ordinary share capital of Tomypak (excluding treasury shares) after the completion of the Rights Issue with Warrants and subsequent full exercise of Warrants under the Minimum Scenario.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

APPENDIX I

TOMYPAK HOLDINGS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

ii) Maximum Scenario

Under the Maximum Scenario, it is assumed that 32,840,265 ESOS options are granted pursuant to the ESOS, which is equivalent to 15% of the issued and paid-up ordinary share capital of Tomypak (excluding treasury shares) after the completion of the Rights Issue with Warrants and subsequent full exercise of Warrants under the Maximum Scenario.

e) Pro forma V – Full exercise of ESOS options

Pro forma V incorporates pro forma IV and the full exercise of ESOS options granted pursuant to the ESOS.

i) Minimum Scenario

Under the Minimum Scenario, all of the 24,696,773 ESOS options granted under the pro forma IV are assumed to be exercised at an exercise price of RM1.83 per ESOS option, resulting in a total of RM45.20 million proceeds to be raised by the Company.

ii) Maximum Scenario

Under the Maximum Scenario, all of the 32,840,265 ESOS options granted under the pro forma IV are assumed to be exercised at an exercise price of RM1.83 per ESOS option, resulting in a total of RM60.10 million proceeds to be raised by the Company.

3. Effects on the pro forma consolidated statements of financial position**a) Movement in cash and cash equivalents**

	Minimum Scenario RM'000	Maximum Scenario RM'000
Audited balance as at 31 December 2015	11,715	11,715
Effects of pro forma I:		
- Dividend payment	(5,473)	(5,473)
Pro forma I	6,242	6,242
Effects of pro forma II:		
- Proceeds from issuance of Rights Shares pursuant to the Rights Issue with Warrants	27,589	54,734
- Payment of expenses relating to the Corporate Exercises	(600)	(600)
Pro forma II	33,231	60,376
Effects of pro forma III:		
- Proceeds from full exercise of Warrants	63,178	125,340
Pro forma III / IV	96,409	185,716
Effects of pro forma V:		
- Proceeds from full exercise of ESOS options granted pursuant to the ESOS	45,195	60,098
Pro forma V	141,604	245,814

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TOMYPAK HOLDINGS BERHAD

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND THE NOTES THEREON

b) Movement in share capital

	Minimum Scenario RM'000	Maximum Scenario RM'000
Audited balance as at 31 December 2015 / Pro forma I	54,733	54,733
Effects of pro forma II:		
- Issuance of Rights Shares pursuant to the Rights Issue with Warrants	13,794	27,367
Pro forma II	68,527	82,100
Effects of pro forma III:		
- Full exercise of Warrants	13,794	27,367
Pro forma III / IV	82,321	109,467
Effects of pro forma V:		
- Full exercise of ESOS options granted pursuant to the ESOS	12,348	16,420
Pro forma V	94,669	125,887

c) Movement in share premium

	Minimum Scenario RM'000	Maximum Scenario RM'000
Audited balance as at 31 December 2015 / Pro forma I	987	987
Effects of pro forma II:		
- Issuance of Rights Shares pursuant to the Rights Issue with Warrants	13,795	27,367
- Issuance of Warrants pursuant to the Rights Issue with Warrants	(9,932)	(19,703)
Pro forma II	4,850	8,651
Effects of pro forma III:		
- Full exercise of Warrants	59,316	117,676
Pro forma III / IV	64,166	126,327
Effects of pro forma V:		
- Full exercise of ESOS options granted pursuant to the ESOS	45,689	60,755
Pro forma V	109,855	187,082

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2015 IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (Cont'd)

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TOMYPAK HOLDINGS BERHAD

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d) Movement in Warrants reserve	Minimum Scenario RM'000	Maximum Scenario RM'000
Audited balance as at 31 December 2015 / Pro forma I	-	-
Effects of pro forma II:		
- Issuance of Warrants pursuant to the Rights Issue with Warrants	9,932	19,703
Pro forma II	9,932	19,703
Effects of pro forma III:		
- Full exercise of Warrants	(9,932)	(19,703)
Pro forma III / IV / V	-	-
e) Movement in ESOS reserve		
	Minimum Scenario RM'000	Maximum Scenario RM'000
Audited balance as at 31 December 2015 / Pro forma I / II / III	-	-
Effects of pro forma IV:		
- Issuance of ESOS options pursuant to the ESOS	12,842	17,077
Pro forma IV	12,842	17,077
Effects of pro forma V:		
- Full exercise of ESOS options granted pursuant to the ESOS	(12,842)	(17,077)
Pro forma V	-	-
f) Movement in retained earnings		
	Minimum Scenario RM'000	Maximum Scenario RM'000
Audited balance as at 31 December 2015	67,210	67,210
Effects of pro forma I:		
- Dividend payments	(5,473)	(5,473)
Pro forma I	61,737	61,737
Effects of pro forma II:		
- Payment of expenses relating to the Corporate Exercises	(600)	(600)
Pro forma II / III	61,137	61,137
Effects of pro forma IV:		
- Issuance of ESOS options pursuant to the ESOS	(12,842)	(17,077)
Pro forma IV / V	48,295	44,060

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON**

CERTIFIED TRUE COPY



.....
KPMG Johor Bahru

Name : Dylan TE Tan

Position : Partner

Tomypak Holdings Berhad

(Company No. 337743-W)

(Incorporated in Malaysia)

and its subsidiary

**Financial statements for the
year ended 31 December 2015**

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

1

Tomypak Holdings Berhad

(Company No. 337743-W)

(Incorporated in Malaysia)

and its subsidiary

Directors' Report

For the year ended 31 December 2015

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2015.

Principal activities

The Company is an investment holding company. The principal activities of its subsidiary are disclosed in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM'000	Company RM'000
Profit for the year	<u>23,164</u>	<u>8,734</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review other than as disclosed in the financial statements.

Dividends

Since the end of the previous financial year, the Company:

- i) paid a third interim dividend of 1.0 sen tax exempt per ordinary share totalling RM1,093,408 in respect of the year ended 31 December 2014 on 16 January 2015;
- ii) paid a fourth interim dividend of 1.0 sen tax exempt per ordinary share totalling RM1,093,408 in respect of the year ended 31 December 2014 on 1 April 2015;
- iii) paid a first interim dividend of 1.5 sen tax exempt per ordinary share totalling RM1,640,111 in respect of the year ended 31 December 2015 on 9 July 2015;
- iv) paid a second interim dividend of 2.5 sen tax exempt per ordinary share totalling RM2,730,139 in respect of the year ended 31 December 2015 on 25 September 2015;
- v) paid a third interim dividend of 3.0 sen tax exempt per ordinary share totalling RM3,284,027 in respect of the year ended 31 December 2015 on 29 December 2015; and
- vi) declared a fourth interim dividend of 3.0 sen tax exempt per ordinary share totalling RM3,284,027 in respect of the year ended 31 December 2015 on 26 February 2016. This dividend is payable on 8 April 2016. The financial statements for the current financial year do not reflect this dividend and it will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2016.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

2

Directors of the Company

Directors who served since the date of the last report are:

Tan Sri Dato' Seri Arshad bin Ayub
Mr. Teoh Kok Swee @ Michael Teoh
Mr. Chin Cheong Kee @ Chin Song Kee
Mr. Lim Hun Swee
Mr. Tan See Yin
Mr. Yong Kwet On
Ms. Rozana binti Redzuan (appointed on 1 April 2015)

Directors' interests in shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

Name of Directors	Interest	Number of ordinary shares RM0.50 each			
		At 1 January 2015 '000	Bought '000	Sold '000	At 31 December 2015 '000
Company					
Tan Sri Dato' Seri Arshad bin Ayub	Direct	3,240	--	--	3,240
	Deemed	5,478	16	--	5,494
Mr. Chin Cheong Kee @ Chin Song Kee	Direct	20	--	--	20
Mr. Yong Kwet On	Deemed	27,887	2,000	(1,000)	28,887
Mr. Lim Hun Swee	Direct	14,696	2,557	--	17,253

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Issue of shares

At the Annual General Meeting held on 28 May 2015, the shareholders of the Company renewed their approval for the Company to repurchase its own shares.

During the year, the Company repurchased 204,100 of its issued share capital from the open market. The average price paid for the shares repurchased was RM1.68 per share including transaction costs, and the repurchase transaction were financed by internally generated funds.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

3

Subsequently, the Company resold all its treasury share, totalling 330,900 units at an average price of RM2.37 per share in the open market of Bursa Malaysia for a total consideration of RM782,121. The gain from the resale of treasury shares have been recorded in the equity account of the Company.

There were no other changes in the authorised, issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2015 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

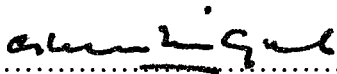
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

4

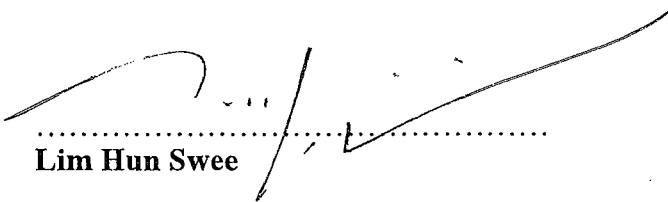
Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:



.....
Tan Sri Dato' Seri Arshad bin Ayub



.....
Lim Hun Swee

Johor Bahru

Date: 09 MAR 2016

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)

5

Tomypak Holdings Berhad

(Company No. 337743-W)

(Incorporated in Malaysia)

and its subsidiary

Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 10 to 50 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2015 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 25 on page 51 to the financial statements has been compiled in accordance with Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:


.....
Tan Sri Dato' Seri Arshad bin Ayub


.....
Lim Hun Swee

Johor Bahru

Date: 09 MAR 2016

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

6

Tomypak Holdings Berhad

(Company No. 337743-W)

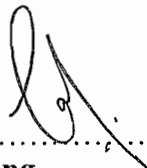
(Incorporated in Malaysia)

and its subsidiary

Statutory declaration pursuant to Section 169(16) of the Companies Act, 1965

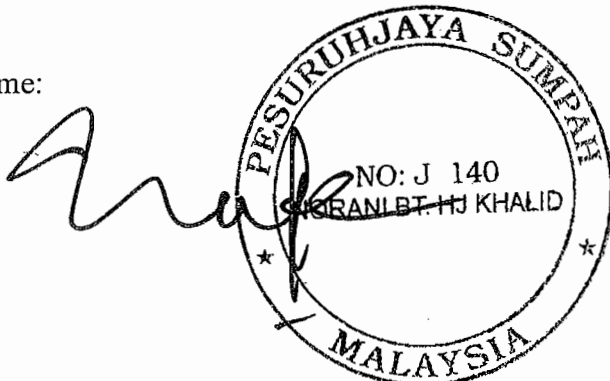
I, **Liew Chek Leong**, the officer primarily responsible for the financial management of TOMYPAK HOLDINGS BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 10 to 51 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named in Johor Bahru in the State of Johor on
09 MAR 2016



.....
Liew Chek Leong

Before me:



No. 7, Tingkat 2
Bangunan MARA
Jalan Segget
80000 Johor Bahru
Tel: 019-7087978

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)



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KPMG (Firm No. AF 0758)
Chartered Accountants
Level 14, Menara Ansar
65, Jalan Trus
80000 Johor Bahru, Malaysia

Telephone +60 (7) 224 2870
Fax +60 (7) 224 8055
Internet www.kpmg.com.my

Independent Auditors' Report to the members of Tomypak Holdings Berhad

(Company No. 337743-W)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Tomypak Holdings Berhad, which comprise the statements of financial position as at 31 December 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 50.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)***Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2015 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the accounts of the subsidiary that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (c) Our audit reports on the accounts of the subsidiary did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 25 on page 51 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Malaysian Financial Reporting Standards or International Financial Reporting Standards. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**



Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to be a stylized 'K' followed by a horizontal line.

KPMG
Firm Number: AF 0758
Chartered Accountants

A handwritten signature in black ink, consisting of a large, sweeping 'T' followed by a horizontal line.

Tan Teck Eng
Approval Number: 2986/05/16 (J)
Chartered Accountant

Johor Bahru

Date: 09 MAR 2016

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

10

Tomypak Holdings Berhad
(Company No. 337743-W)
(Incorporated in Malaysia)
and its subsidiary
Statements of financial position
As at 31 December 2015

	Note	Group		Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Assets					
Property, plant and equipment	3	84,164	71,146	--	--
Investment in a subsidiary	4	--	--	55,759	55,759
Total non-current assets		<u>84,164</u>	<u>71,146</u>	<u>55,759</u>	<u>55,759</u>
Inventories	5	32,771	35,934	--	--
Trade and other receivables	6	62,583	47,288	118	1,351
Tax recoverable	5	5	2	5	2
Cash and cash equivalents	7	11,715	12,717	1,747	910
Total current assets		<u>107,074</u>	<u>95,941</u>	<u>1,870</u>	<u>2,263</u>
Total assets		<u>191,238</u>	<u>167,087</u>	<u>57,629</u>	<u>58,022</u>
Equity					
Share capital		54,733	54,733	54,733	54,733
Reserves		71,188	56,333	1,979	1,554
Equity attributable to owners of the Company/ Total equity	8	<u>125,921</u>	<u>111,066</u>	<u>56,712</u>	<u>56,287</u>
Liabilities					
Loans and borrowings	9	6,294	438	--	--
Deferred tax liabilities	10	8,782	8,512	--	--
Employee benefits	11	609	628	--	--
Total non-current liabilities		<u>15,685</u>	<u>9,578</u>	<u>--</u>	<u>--</u>
Trade and other payables	12	23,842	20,257	597	523
Loans and borrowings	9	23,241	24,091	--	--
Taxation		2,229	883	--	--
Dividends payable		320	1,212	320	1,212
Total current liabilities		<u>49,632</u>	<u>46,443</u>	<u>917</u>	<u>1,735</u>
Total liabilities		<u>65,317</u>	<u>56,021</u>	<u>917</u>	<u>1,735</u>
Total equity and liabilities		<u>191,238</u>	<u>167,087</u>	<u>57,629</u>	<u>58,022</u>

The accompanying notes form an integral part of the financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

11

Tomypak Holdings Berhad

(Company No. 337743-W)

(Incorporated in Malaysia)

and its subsidiary

Statement of profit or loss and other comprehensive income For the year ended 31 December 2015

	Note	Group		Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue					
Goods sold		214,099	209,039	--	--
Dividend income		--	--	9,550	7,350
Cost of goods sold		(175,895)	(188,011)	--	--
Gross profit		38,204	21,028	9,550	7,350
Other income		4,297	1,274	--	--
Distribution expenses		(3,901)	(4,358)	--	--
Administrative expenses		(6,191)	(5,445)	(831)	(768)
Other expenses		(775)	(293)	--	--
Results from operating activities		31,634	12,206	8,719	6,582
Finance income		204	264	21	25
Finance costs	13	(544)	(877)	--	--
Net finance (costs)/income		(340)	(613)	21	25
Profit before tax	14	31,294	11,593	8,740	6,607
Tax expense	15	(8,130)	(3,341)	(6)	(3)
Profit for the year/Total comprehensive income for the year		23,164	8,252	8,734	6,604
Basic and diluted earnings per ordinary share (sen)	16	21.18	7.55		

The accompanying notes form an integral part of the financial statements.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)

Tomypak Holdings Berhad
(Company No. 337743-W)
(Incorporated in Malaysia)
and its subsidiary

Consolidated statement of changes in equity for the year ended 31 December 2015

Group	Note	Attributable to owners of the Company				Total equity RM'000
		Share capital RM'000	Non-distributable Share premium RM'000	Treasury shares RM'000	Merger reserve RM'000	
At 1 January 2014		54,733	669	(121)	2,991	109,374
Profit and total comprehensive income for the year		--	--	--	--	8,252
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company/ Total transactions with owners of the Company	17	--	--	--	--	(6,560)
At 31 December 2014		54,733	669	(121)	2,991	111,066
Profit and total comprehensive income for the year		--	--	--	--	23,164
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	17	--	--	--	--	(8,748)
Own shares acquired	8	--	--	(343)	--	(343)
Own shares sold	8	--	318	464	--	782
Total transactions with owners of the Company		--	318	121	--	(8,748)
At 31 December 2015		54,733	987	--	2,991	125,921

The accompanying notes form an integral part of the financial statements.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)

13

Tomypak Holdings Berhad
(Company No. 337743-W)
(Incorporated in Malaysia)
and its subsidiary

Statements of changes in equity for the year ended 31 December 2015

Company	← Attributable to owners of the Company →		Total equity RM'000
	Share capital RM'000	Non-distributable Share premium RM'000	
At 1 January 2014	54,733	669	56,243
Profit and total comprehensive income for the year	--	--	6,604
<i>Contributions by and distributions to owners of the Company</i>			
Dividends to owners of the Company/			
Total transactions with owners of the Company	--	--	(6,560)
At 31 December 2014	54,733	669	56,287
Profit and total comprehensive income for the year	--	--	8,734
<i>Contributions by and distributions to owners of the Company</i>			
Dividends to owners of the Company			
Own shares acquired	--	--	(8,748)
Own shares sold	--	318	(343)
Total transactions with owners of the Company	--	318	(8,748)
At 31 December 2015	54,733	987	56,712

The accompanying notes form an integral part of the financial statements.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)

14

Tomypak Holdings Berhad

(Company No. 337743-W)

(Incorporated in Malaysia)

and its subsidiary

Statements of cash flows

For the year ended 31 December 2015

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash flows from operating activities				
Profit before tax	31,294	11,593	8,740	6,607
Adjustments for:-				
Depreciation	11,703	11,721	--	--
Finance costs	544	877	--	--
Unrealised loss on foreign exchange	753	233	--	--
Property, plant and equipment:				
- Written off	21	60	--	--
- Gain on disposal	(192)	(487)	--	--
Finance income	(204)	(264)	(21)	(25)
Operating profit before changes in working capital	43,919	23,733	8,719	6,582
Changes in employee benefits	(19)	(14)	--	--
Changes in inventories	3,163	4,643	--	--
Changes in trade and other receivables	(16,051)	(3,471)	1,232	1,000
Changes in trade and other payables	3,589	(4,409)	75	24
Cash generated from operations	34,601	20,482	10,026	7,606
Tax paid	(6,516)	(3,712)	(9)	(5)
Other finance costs paid	(169)	(215)	--	--
Net cash from operating activities	27,916	16,555	10,017	7,601
Cash flows from investing activities				
Acquisition of property, plant and equipment	(24,786)	(13,474)	--	--
Proceeds from disposal of property, plant and equipment	236	516	--	--
Interest received	204	264	21	25
Net cash (used in)/from investing activities	(24,346)	(12,694)	21	25

The accompanying notes form an integral part of the financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

15

Statements of cash flows
For the year ended 31 December 2015
(continued)

	Note	Group		Company	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash flows from financing activities					
Repayment of term loans		(2,456)	(2,242)	--	--
Net short term borrowings		(1,081)	(2,021)	--	--
Repayment of finance lease liabilities		(228)	(619)	--	--
Net proceeds from the repurchase and resale of treasury shares		439	--	439	--
Dividends paid to owners of the Company		(9,640)	(7,660)	(9,640)	(7,660)
Interest paid		(375)	(662)	--	--
Drawdown of term loans		8,769	--	--	--
Net cash used in financing activities		<u>(4,572)</u>	<u>(13,204)</u>	<u>(9,201)</u>	<u>(7,660)</u>
Net (decrease)/increase in cash and cash equivalents		(1,002)	(9,343)	837	(34)
Cash and cash equivalents at 1 January		<u>12,717</u>	<u>22,060</u>	<u>910</u>	<u>944</u>
Cash and cash equivalents at 31 December	7	<u>11,715</u>	<u>12,717</u>	<u>1,747</u>	<u>910</u>

The accompanying notes form an integral part of the financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

16

Tomypak Holdings Berhad

(Company No. 337743-W)

(Incorporated in Malaysia)

and its subsidiary**Notes to the financial statements**

Tomypak Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

11, Jalan Tahana
Kawasan Perindustrian Tampoi
80350 Johor Bahru
Johor
Malaysia

Registered office

Suite 7E, Level 7
Menara Ansar
65, Jalan Trus
80000 Johor Bahru
Johor
Malaysia

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities").

The Company is an investment holding company. The principal activities of its subsidiary are disclosed in Note 4.

These financial statements were authorised for issue by the Board of Directors on
09 MAR 2016

1. Basis of preparation**(a) Statement of compliance**

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*

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(a) Statement of compliance (continued)***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016 (continued)***

- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations in the respective financial years when the above standards, amendments and interpretations become effective.

The initial application of these standards, amendments and interpretations are not expected to have any material financial impacts to the current and prior periods financial statements of the Group and of the Company upon their first adoption except as mentioned below:

(i) MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 15.

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(a) Statement of compliance (continued)**(ii) MFRS 9, *Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 9.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation**(i) Subsidiaries**

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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(a) Basis of consolidation (continued)**(i) Subsidiaries (continued)**

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

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(a) Basis of consolidation (continued)**(iv) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency**Foreign currency transactions**

Transactions in foreign currencies are translated to the functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a cash flow hedge of currency risk, which are recognised in other comprehensive income.

(c) Financial instruments**(i) Initial recognition and measurement**

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

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(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) *Financial assets at fair value through profit or loss*

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) contingent consideration in a business combination or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) *Held-to-maturity investments*

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group or the Company has the positive intention and ability to hold them to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

(c) *Loans and receivables*

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(d) *Available-for-sale financial assets*

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(h)(i)).

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(c) Financial instruments (continued)**(ii) Financial instrument categories and subsequent measurement (continued)***Financial liabilities*

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) contingent consideration in a business combination or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Fair value arising from financial guarantee contracts are classified as deferred income and is amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

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(c) Financial instruments (continued)**(v) Derecognition**

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

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(d) Property, plant and equipment (continued)**(iii) Depreciation**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Freehold land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold land	40 years
Building	40 years
Plant and machinery	2 - 15 years
Office equipment, furniture and fittings	4 - 10 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period and adjusted as appropriate.

(e) Leased assets**(i) Finance lease**

Leases in terms of which the Group or the Company assume substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment.

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(e) Leased assets (continued)**(ii) Operating lease**

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and the leased assets are not recognised on the statement of financial position.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(h) Impairment**(i) Financial assets**

All financial assets except for financial assets categorised as fair value through profit or loss and investments in subsidiaries are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables and held-to-maturity investments is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

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(h) Impairment (continued)**(i) Financial assets (continued)**

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for inventories and assets arising from employee benefits) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

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(h) Impairment (continued)**(ii) Other assets (continued)**

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(i) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares in the statement of changes in equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

(j) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

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(j) Income tax (continued)

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(k) Revenue and other income**(i) Goods sold**

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

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(l) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(m) Employee benefits**(i) Short-term employee benefits**

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

The Group's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is calculated based on 25% of the last drawn salary for each completed year of service up to balance sheet date and no qualified actuary has been appointed by the Group in the measurement of the defined benefit obligations since the amount is not expected to have a material impact to the financial statements.

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(n) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(o) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment's results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(p) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

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3. Property, plant and equipment

Group	Land and building RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Capital -in -progress RM'000	Total RM'000
At cost						
At 1 January 2014	13,321	169,160	10,500	2,659	--	195,640
Additions	464	10,969	363	170	1,508	13,474
Disposals	--	(2,595)	--	(1,028)	--	(3,623)
Written off	(9)	(7,043)	(233)	(64)	--	(7,349)
At 31 December 2014/ 1 January 2015	13,776	170,491	10,630	1,737	1,508	198,142
Additions	243	6,141	133	482	17,787	24,786
Disposals	--	(3,867)	--	(487)	--	(4,354)
Transfer	13,584	--	--	--	(13,584)	--
Written off	--	(2,386)	(66)	--	--	(2,452)
At 31 December 2015	27,603	170,379	10,697	1,732	5,711	216,122
Accumulated depreciation						
At 1 January 2014	6,194	110,519	7,095	2,350	--	126,158
Depreciation charge	352	10,327	802	240	--	11,721
Disposals	--	(2,566)	--	(1,028)	--	(3,594)
Written off	(4)	(7,020)	(201)	(64)	--	(7,289)
At 31 December 2014/ 1 January 2015	6,542	111,260	7,696	1,498	--	126,996
Depreciation charge	411	10,394	748	150	--	11,703
Disposals	--	(3,823)	--	(487)	--	(4,310)
Written off	--	(2,376)	(55)	--	--	(2,431)
At 31 December 2015	6,953	115,455	8,389	1,161	--	131,958
Carrying amounts						
At 1 January 2014	7,127	58,641	3,405	309	--	69,482
At 31 December 2014/ 1 January 2015	7,234	59,231	2,934	239	1,508	71,146
At 31 December 2015	20,650	54,924	2,308	571	5,711	84,164

	2015 RM'000	2014 RM'000
Carrying amounts of land and building		

At cost

Freehold land	13,584	--
Short term leasehold land	2,129	2,241
Building	4,937	4,993
	<u>20,650</u>	<u>7,234</u>

Leased plant and machinery

Included in property, plant and equipment of the Group are plant and machinery, motor vehicles and other equipments acquired under hire purchase agreements with a net book value of NIL (2014: RM2,663,855). The leased plant and machinery secures lease obligations.

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3. Property, plant and equipment (continued)

Security

Certain property, plant and machinery of the Group with a net book value of RM18,459,638 (2014: RM7,900,139) are charged to banks for banking facilities granted to the Group.

Others

Included in construction-in-progress of the Group is finance cost capitalised of RM210,742 (2014: NIL).

4. Investment in a subsidiary

	Company	
	2015 RM'000	2014 RM'000
Unquoted shares, at cost	55,759	55,759

The wholly owned subsidiary is Tomypak Flexible Packaging Sdn. Bhd. (formerly known as Tomypak Flexible Packaging Berhad and Tomypak Berhad), a company incorporated in Malaysia. Its principal activities relate to the manufacture and sale of packaging materials, polyethylene, polypropylene films and sheets.

5. Inventories

	Group	
	2015 RM'000	2014 RM'000
Raw materials	22,213	22,368
Work-in-progress	1,459	2,045
Finished goods	5,044	7,349
Consumables	4,055	4,172
	<u>32,771</u>	<u>35,934</u>
Recognised in profit or loss:		
- Inventories recognised as cost of goods sold	<u>175,895</u>	<u>188,011</u>

6. Trade and other receivables

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Trade receivables	52,984	46,125	--	--
Other receivables, deposits and prepayments	9,599	1,163	118	1
Due from a subsidiary				
- Dividend receivable	--	--	--	1,350
	<u>62,583</u>	<u>47,288</u>	<u>118</u>	<u>1,351</u>

Included in other receivables, deposits and prepayments is deposit/advanced payments of RM8,164,708 (2014: RM10,000) for the acquisition of plant and machineries.

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7. Cash and cash equivalents

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Deposit placed with licensed banks	5,800	5,740	500	740
Cash and bank balances	5,915	6,977	1,247	170
	<u>11,715</u>	<u>12,717</u>	<u>1,747</u>	<u>910</u>

8. Capital and reserves

Share capital

	Group/Company		Group/Company Number of shares	
	2015 RM'000	2014 RM'000	2015 '000	2014 '000
Ordinary shares of RM0.50 each:				
Authorised	<u>100,000</u>	<u>100,000</u>	<u>200,000</u>	<u>200,000</u>
Issued and fully paid	<u>54,733</u>	<u>54,733</u>	<u>109,467</u>	<u>109,467</u>

Reserves

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-distributable				
Share premium	987	669	987	669
Treasury shares	--	(121)	--	(121)
Merger reserve	<u>2,991</u>	<u>2,991</u>	<u>--</u>	<u>--</u>
	3,978	3,539	987	548
Distributable				
Retained earnings	<u>67,210</u>	<u>52,794</u>	<u>992</u>	<u>1,006</u>
	<u>71,188</u>	<u>56,333</u>	<u>1,979</u>	<u>1,554</u>

Treasury shares

At the Annual General Meeting held on 28 May 2015, the shareholders of the Company renewed their approval for the Company to repurchase its own shares.

During the year, the Company repurchased 204,100 of its issued share capital from the open market. The average price paid for the shares repurchased was RM1.68 per share including transaction costs, and the repurchase transaction were financed by internally generated funds.

Subsequently, the Company resold all its treasury share, totalling 330,900 units at an average price of RM2.37 per share in the open market of Bursa Malaysia for a total consideration of RM782,121. The gain from the resale of treasury shares have been recorded in the equity account of the Company.

At 31 December 2015, a total of NIL (2014: 126,800) repurchased shares are being held as treasury shares. The number of outstanding shares of RM0.50 (2014: RM0.50) each in issue after the set off is 109,467,550 (2014: 109,340,750).

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8. Capital and reserves (continued)

Treasury shares (continued)

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

9. Loans and borrowings

	Group	
	2015 RM'000	2014 RM'000
Non-current		
Secured		
Term loans	6,294	438
Current		
Secured		
Term loans	2,597	2,139
Finance lease liabilities	--	227
	2,597	2,366
Unsecured		
Trust receipts	20,644	21,725
	<u>23,241</u>	<u>24,091</u>
	<u>29,535</u>	<u>24,529</u>

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000
Group			
2014			
Less than one year	<u>230</u>	<u>3</u>	<u>227</u>

Security and significant covenants

The term loans are secured by legal charges over certain plant and machinery of the subsidiary and covenants requiring the subsidiary to maintain gearing ratio of not more than 1.40 times.

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10. Deferred tax liabilities

Recognised deferred tax liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group	
	2015 RM'000	2014 RM'000
Property, plant and equipment - capital allowances	9,293	9,234
Inventories	(157)	(425)
Trade receivables allowances	(17)	(18)
Employee benefit plan	(146)	(151)
Others	(191)	(128)
	8,782	8,512

Movement in temporary differences during the year

	At 1 January 2014 RM'000	Recognised in profit or loss (Note 15) RM'000	At 31 December 2014 RM'000	Recognised in profit or loss (Note 15) RM'000	At 31 December 2015 RM'000
Property, plant and equipment - capital allowance	9,054	180	9,234	59	9,293
Inventories	(54)	(371)	(425)	268	(157)
Trade receivables allowances	(23)	5	(18)	1	(17)
Employee benefit plan	(161)	10	(151)	5	(146)
Others	(117)	(11)	(128)	(63)	(191)
	8,699	(187)	8,512	270	8,782

11. Employee benefits

Retirement benefits

	Group	
	2015 RM'000	2014 RM'000
Defined benefit liability	609	628

The Group has a retirement benefit that pays a lump sum benefits for certain employees upon retirement. Under the scheme, eligible employees are entitled to retirement benefits of 25% of the last drawn salary for each completed year of service upon retirement age of 60.

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11. Employee benefits (continued)

Movement in defined benefit liability

The following table shows a reconciliation from the opening balance to the closing balance for defined benefit liability.

	Group	
	2015 RM'000	2014 RM'000
Balance at 1 January	628	642
Included in profit or loss		
Current service cost	59	49
Other	687	691
- Benefits paid by the plan	(78)	(63)
Balance at 31 December	609	628

12. Trade and other payables

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Trade payables	16,894	15,173	--	--
Other payables and accrued expenses	6,948	5,084	597	523
	23,842	20,257	597	523

Included in other payables and accrued expenses are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Other payables	2,431	1,657	--	--
Accruals and provisions	4,517	3,427	597	523
	6,948	5,084	597	523

13. Finance costs

	Group	
	2015 RM'000	2014 RM'000
Interest expenses	586	662
Bank charges	169	215
	755	877
Less: Finance cost capitalised	(211)	--
	544	877

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14. Profit before tax

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit before tax is arrived at after charging/(crediting)				
Auditors' remuneration:				
- Audit fees				
KPMG Malaysia	88	78	25	22
- Non-audit fee				
Local affiliates of KPMG				
Malaysia	13	13	3	3
KPMG Malaysia	6	6	6	6
Depreciation	11,703	11,721	--	--
Rental of premises	468	694	--	--
Property, plant and equipment:				
- Written off	21	60	--	--
- Gain on disposal	(192)	(487)	--	--
Personnel expenses (including key management personnel):				
- Contributions to state plans	990	1,024	--	--
- Expenses related to defined benefit plans	(19)	(14)	--	--
- Wages, salaries and others	17,088	15,735	--	--
Foreign exchange:				
- Realised gain	(3,213)	(547)	--	--
- Unrealised loss	753	233	--	--
(Reversal)/Allowance for slow moving inventories	(44)	1,612	--	--
Bad debts recovered	(6)	(14)	--	--

Key management personnel compensation

The key management personnel compensation are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Directors:				
- Fees	572	620	572	496
- Remuneration	2,097	1,033	25	24
Total short-term employee benefits	2,669	1,653	597	520
Other key management personnel:				
- Short-term employee benefits	669	795	6	8
	<u>3,338</u>	<u>2,448</u>	<u>603</u>	<u>528</u>

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14. Profit before tax (continued)

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

The estimated monetary value of Directors' benefit-in-kind for the Group and the Company are RM11,241 (2014: RM180,340) and NIL (2014: RM44,456) respectively.

15. Tax expense

Recognised in profit or loss

Major components of income tax expense include:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current tax expense				
- Current year	8,036	3,245	6	3
- Prior year	(176)	283	--	--
	7,860	3,528	6	3
Deferred tax expense/(income)				
- Origination of temporary differences	270	(327)	--	--
- Prior year	--	140	--	--
	270	(187)	--	--
	8,130	3,341	6	3
Reconciliation of tax expense				
Profit before tax	31,294	11,593	8,740	6,607
Income tax calculated using Malaysian tax rate of 25%	7,824	2,898	2,185	1,652
Non-deductible expenses	482	377	209	189
Non-taxable income	--	--	(2,388)	(1,838)
Effect of changes tax rate*	--	(357)	--	--
	8,306	2,918	6	3
(Over)/Under provided in prior years	(176)	423	--	--
Tax expense	8,130	3,341	6	3

* The Malaysian Budget 2014 announced the reduction of corporate tax rate to 24% with effect from year of assessment 2016. Consequently, deferred tax assets and liabilities which are expected to reverse in 2016 and beyond are measured using the tax rate of 24%.

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16. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 December 2015 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

Profit attributable to ordinary shareholders:

	Group	
	2015 RM'000	2014 RM'000
Profit for the year attributable to owners	<u>23,164</u>	<u>8,252</u>
Weighted average number of ordinary shares	<u>109,351</u>	<u>109,340</u>
	Group	
	2015	2014
Basic earnings per ordinary share (sen)	<u>21.18</u>	<u>7.55</u>

Diluted earnings per ordinary share

No disclosure is made for diluted earnings per share for the year as there is no dilutive potential ordinary shares outstanding.

17. Dividends

Dividends recognised by the Company are:

	Sen per share	Total amount RM'000	Date of payment
2015			
2014 - Fourth interim, tax exempt	1.0	1,093	1 April 2015
2015 - First interim, tax exempt	1.5	1,640	9 July 2015
2015 - Second interim, tax exempt	2.5	2,730	25 September 2015
2015 - Third interim, tax exempt	3.0	<u>3,285</u>	29 December 2015
Total amount		<u>8,748</u>	
2014			
2013 - Fourth interim, tax exempt	2.0	2,187	8 April 2014
2014 - First interim, tax exempt	2.0	2,187	8 July 2014
2014 - Second interim, tax exempt	1.0	1,093	8 October 2014
2014 - Third interim, tax exempt	1.0	<u>1,093</u>	16 January 2015
Total amount		<u>6,560</u>	

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17. Dividends (continued)

After the end of the reporting period, the following dividend was declared by the Directors and this dividend will be recognised in the subsequent financial year.

	Sen per share	Total amount RM'000
2015 - Fourth interim, tax exempt	3.0	<u>3,284</u>

18. Operating segments

The Group operates principally in Malaysia and in the manufacture and sale of packaging materials, polyethylene, polypropylene films and sheets. The Group's assets and liabilities are basically in Malaysia.

The Group's operation is divided into local and export market. The local market relates to sales to customers within Malaysia. The export market relates to sales to overseas customers with South East Asia being the principal market segment.

	2015 RM'000	2014 RM'000
Revenue		
- Local	97,044	90,271
- Export	<u>117,055</u>	<u>118,768</u>
	<u>214,099</u>	<u>209,039</u>

Major customers

The following is a major customer (all companies under common control) with revenue equal or more than 10% of the Group's total revenue:

Segment	Revenue	
	2015 RM'000	2014 RM'000
Export market	43,083	39,577
Local market	<u>55,815</u>	<u>48,721</u>
	<u>98,898</u>	<u>88,298</u>

19. Contingent liabilities

	Company	
	2015 RM'000	2014 RM'000
Unsecured		
Corporate guarantees given to banks in respect of outstanding short term borrowings and hire purchase facilities of a subsidiary	<u>20,644</u>	<u>21,953</u>
Secured		
Property, plant and equipment charged to banks as security for banking facilities granted to a subsidiary	<u>8,891</u>	<u>2,577</u>

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20. Capital commitments

	Group	
	2015 RM'000	2014 RM'000
<i>Plant and equipment</i>		
Contracted but not provided for	24,623	15,650
Authorised but not contracted for	<u>39,805</u>	<u>--</u>

21. Financial instruments

21.1 Categories of financial instruments

All financial assets and liabilities are categorised as loans and receivables and other liabilities in accordance with the Group's accounting policies as disclosed in Note 2 (c).

21.2 Net gains and losses arising from financial instruments

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Net gains/(losses) on:				
Loans and receivables	5,725	1,357	21	25
Financial liabilities measured at amortised cost	<u>(3,810)</u>	<u>(1,642)</u>	<u>--</u>	<u>--</u>
	<u>1,915</u>	<u>(285)</u>	<u>21</u>	<u>25</u>

21.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

21.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade receivables from customers.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

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21. Financial instruments (continued)

21.4 Credit risk (continued)

Receivables (continued)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position.

The Group has significant concentrations of credit risk arising from amounts due from three (2014: three) major customers, representing 61% (2014: 54%) of the Group's and the Company's trade receivables.

Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these trade receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any trade receivables having significant balances past due more than respective credit terms, which are deemed to have higher credit risk, are monitored individually.

Impairment losses

The Group maintains an ageing analysis in respect of trade receivables only. The ageing of trade receivables as at the end of the reporting period was:

	Gross RM'000	Individual impairment RM'000	Net RM'000
Group			
2015			
Not past due	45,234	--	45,234
Past due 0 - 60 days	6,874	--	6,874
Past due 61 - 120 days	528	--	528
Past due more than 120 days	418	(70)	348
	<u>53,054</u>	<u>(70)</u>	<u>52,984</u>
2014			
Not past due	31,553	--	31,553
Past due 0 - 60 days	13,143	--	13,143
Past due 61 - 120 days	1,012	--	1,012
Past due more than 120 days	493	(76)	417
	<u>46,201</u>	<u>(76)</u>	<u>46,125</u>

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21. Financial instruments (continued)

21.4 Credit risk (continued)

Receivables (continued)

The movements in the allowance for impairment losses of trade receivables during the financial year were:

	Group	
	2015	2014
	RM'000	RM'000
At 1 January	76	90
Bad debts recovered	(6)	(14)
At 31 December	70	76

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to a subsidiary. The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM20,644,000 (2014: RM21,953,000) representing the outstanding banking facilities of the subsidiary as at the end of the reporting period.

As at the end of the reporting period, there was no indication that the subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

21.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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21. Financial instruments (continued)

21.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
2015						
Group						
<i>Non-derivative financial liabilities</i>						
Secured term loans	8,891	6.00 - 1.75 + SIBOR	9,373	2,815	2,376	4,182
Unsecured trust receipts	20,644	BLR + 0.75 - 1	20,745	20,745	--	--
Trade and other payables	23,842	--	23,842	23,842	--	--
	<u>53,377</u>		<u>53,960</u>	<u>47,402</u>	<u>2,376</u>	<u>4,182</u>
Company						
<i>Non-derivative financial liabilities</i>						
Other payables	597	--	597	597	--	--
Financial guarantee	--	--	20,644*	20,644	--	--
	<u>597</u>		<u>21,241</u>	<u>21,241</u>	<u>--</u>	<u>--</u>
2014						
Group						
<i>Non-derivative financial liabilities</i>						
Secured term loans	2,577	5.90 - 6.00	2,690	2,244	446	--
Secured financial lease liabilities	227	2.50 - 1.55 + COF	230	230	--	--
Unsecured trust receipts	21,725	1.47 - 1.89 + COF	21,868	21,868	--	--
Trade and other payables	20,257	--	20,257	20,257	--	--
	<u>44,786</u>		<u>45,045</u>	<u>44,599</u>	<u>446</u>	<u>--</u>
Company						
<i>Non-derivative financial liabilities</i>						
Other payables	523	--	523	523	--	--
Financial guarantee	--	--	21,953*	21,953	--	--
	<u>523</u>		<u>22,476</u>	<u>22,476</u>	<u>--</u>	<u>--</u>

* represents the amount outstanding as disclosed in Note 21.4.

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21. Financial instruments (continued)

21.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

Currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than Ringgit Malaysia. The currencies giving rise to this risk are primarily Euro Dollar ("EUR"), US Dollar ("USD"), Singapore Dollar ("SGD") and Japanese Yen ("JPY").

There is no formal hedging policy with respect to foreign currency exposure. Exposure to foreign currency is monitored on an ongoing basis and the endeavours to keep the net exposure at an acceptable level.

Exposure to foreign currency risk

The Group's exposure to foreign currency (currencies which is other than the Group) risk, based on carrying amounts as at the end of the reporting period was:

	← Denominated in →			
	EUR RM'000	USD RM'000	JPY RM'000	SGD RM'000
2015				
Trade receivables	--	27,865	--	1,942
Other receivables	--	5,397	2,156	14
Cash and cash equivalents	--	2,497	--	716
Unsecured trust receipts	--	(20,644)	--	--
Secured term loan	--	--	--	(8,452)
Trade payables	--	(1,868)	--	(300)
Other payables	(571)	(177)	(22)	(353)
	<u>(571)</u>	<u>13,070</u>	<u>2,134</u>	<u>(6,433)</u>
2014				
Trade receivables	--	23,167	--	4,773
Other receivables	--	41	--	15
Cash and cash equivalents	--	1,433	--	2,151
Unsecured trust receipts	--	(21,725)	--	--
Trade payables	--	(1,800)	--	(87)
Other payables	(38)	(70)	(236)	(64)
	<u>(38)</u>	<u>1,046</u>	<u>(236)</u>	<u>6,788</u>

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)

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21. Financial instruments (continued)

21.6 Market risk (continued)

Currency risk (continued)

Currency risk sensitivity analysis

A 10% (2014: 10%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have increased (decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss	
	2015 RM'000	2014 RM'000
EUR	43	--
USD	(980)	(78)
JPY	(160)	18
SGD	482	(509)

A 10% (2014: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Group's fixed rate deposit and borrowings are exposed to a risk of change in their fair value due to changes in interest rates.

Risk management objectives, policies and processes for managing the risk

There is no formal hedging policy with respect to interest rate exposure. Exposure to interest rate risk is monitored on an ongoing basis and the Group endeavours to keep the exposure at an acceptable level.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at end of the reporting period:

	2015 RM'000	2014 RM'000
Fixed rate instruments		
Financial assets	5,800	5,740
Financial liabilities	(21,083)	(24,530)
	<u>(15,283)</u>	<u>(18,790)</u>
Floating rate instruments		
Financial liabilities	<u>(8,452)</u>	<u>--</u>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

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21. Financial instruments (continued)

21.6 Market risk (continued)

Interest rate risk (continued)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased (decreased) post-tax profit or loss of the Group by RM63,000 (2014: NIL). This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

21.7 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amount of the floating rate term loans approximates its fair values as the interest rate is expected to correspond to the movements in the market interest rate.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments not carried at fair value Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2015			
Financial liabilities			
Secured term loans	412	412	439
2014			
Financial liabilities			
Secured term loans	2,491	2,491	2,577
Secured financial lease liabilities	219	219	227
	<u>2,710</u>	<u>2,710</u>	<u>2,804</u>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

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21. Financial instruments (continued)

21.7 Fair value information (continued)

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Bank loans and finance lease liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the Company at the reporting date.

22. Capital management

The Group's capital is represented by its total equity in the statement of financial position. The Directors monitor the adequacy of capital on an ongoing basis.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The debt-to-equity ratios at 31 December 2015 and at 31 December 2014 were as follows:

	Group	
	2015 RM'000	2014 RM'000
Total borrowings (Note 9)	29,535	24,529
Less: Cash and cash equivalents (Note 7)	(11,715)	(12,717)
	<u>17,820</u>	<u>11,812</u>
Total equity	<u>125,921</u>	<u>111,066</u>
Debt-to-equity-ratios	<u>0.14</u>	<u>0.11</u>

There were no changes in the Group's approach to capital management during the financial year.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25 percent of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

23. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

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23. Related parties (continued)

Identity of related parties (continued)

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with its subsidiary and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below.

	Company	
	2015 RM'000	2014 RM'000
A. Subsidiary		
Dividend receivable	9,550	7,350
	Group	
	2015 RM'000	2014 RM'000
B. Close family member of a director of a subsidiary		
Sales commission	--	10
C. Company in which a Director has a substantial interest		
Sales of goods	37	--

24. Significant events

On 1 December 2015, the Group has announced the following:

- Proposed renounceable rights issue of up to 54,733,775 new ordinary shares of RM0.50 each in Tomypak ("Tomypak Share(s)") ("Rights Share(s)") on the basis of one (1) rights share for every two (2) existing Tomypak Shares held on an entitlement date to be determined later, together with up to 54,733,775 free detachable warrants ("Warrant(s)") on the basis of one (1) warrant for every one (1) rights share subscribed ("Proposed Rights Issue with Warrants");
- Proposed establishment of an Employees' Share Option Scheme ("ESOS") of up to fifteen percent (15%) of the prevailing issued and paid-up ordinary share capital of Tomypak (excluding treasury shares) for the eligible Directors and employees of Tomypak and its subsidiary(ies) to be implemented after the completion of the proposed rights issue with warrants ("Proposed ESOS");

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE
31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)**

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24. Significant events (continued)

- Proposed allocation of ESOS options to the Executive Directors and Non-Executive Directors of Tomypak pursuant to the proposed ESOS; and
- Proposed amendment to the Memorandum and Articles of Association of Tomypak (collectively the "Proposals")

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposals (save for the Proposed ESOS) are expected to be completed by the 2nd quarter of calendar year 2016. The proposed ESOS is expected to be implemented after the completion of the Proposed Rights Issue with warrants.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 DECEMBER 2015 TOGETHER WITH THE AUDITORS' REPORT THEREON (Cont'd)

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25. Supplementary financial information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings of the Group and of the Company as at 31 December, into realised and unrealised profits, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Total retained earnings of the Company and its subsidiary:				
- realised profits	76,313	60,974	992	1,006
- unrealised losses	(9,103)	(8,180)	--	--
Total retained earnings	<u>67,210</u>	<u>52,794</u>	<u>992</u>	<u>1,006</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016

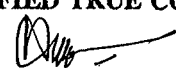
The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the first quarter ended 31 March 2016.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME –
UNAUDITED

	Three months ended		Three months ended	
	31.03.2016 RM '000	31.03.2015 RM '000	31.03.2016 RM '000	31.03.2015 RM '000
Revenue	51,362	52,108	51,362	52,108
Operating Profit	4,762	7,700	4,762	7,700
Finance income	23	49	23	49
Finance costs	(123)	(172)	(123)	(172)
Profit before taxation	4,662	7,577	4,662	7,577
Income tax expense	(1,150)	(2,250)	(1,150)	(2,250)
Profit for the period/ Total comprehensive income for the period/ Attributable to owners of the Company	3,512	5,327	3,512	5,327
Weighted average number of shares in issue ('000)	109,467	109,341	109,467	109,341
Basic earnings per ordinary share (sen)	3.21	4.87	3.21	4.87

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)


TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 31.03.2016 RM '000	Audited As at 31.12.2015 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	90,389	84,164
Total non-current assets	<u>90,389</u>	<u>84,164</u>
Current assets		
Inventories	29,420	32,771
Trade and other receivables	47,579	62,583
Tax recoverable	-	5
Cash and cash equivalents	17,249	11,715
Total current assets	<u>94,248</u>	<u>107,074</u>
TOTAL ASSETS	<u>184,637</u>	<u>191,238</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	54,733	54,733
Reserves	71,058	71,188
Total equity	<u>125,791</u>	<u>125,921</u>
Non-current liabilities		
Loans and borrowings	5,428	6,294
Employee benefits	620	609
Deferred tax liabilities	8,782	8,782
Total non-current liabilities	<u>14,830</u>	<u>15,685</u>
Current liabilities		
Trade and other payables	18,300	23,842
Loans and borrowings	21,156	23,241
Taxation	1,181	2,229
Dividends payable	3,379	320
Total current liabilities	<u>44,016</u>	<u>49,632</u>
Total liabilities	<u>58,846</u>	<u>65,317</u>
TOTAL EQUITY AND LIABILITIES	<u>184,637</u>	<u>191,238</u>
Net assets per share (RM)	1.15	1.15

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED

	Attributable to owners of the Company					Total equity RM '000
	Non-distributable			Distributable		
	Share capital RM '000	Share premium RM '000	Treasury share RM '000	Merger reserves RM '000	Retained earnings RM '000	
At 1 January 2016	54,733	987	-	2,991	67,210	125,921
Total comprehensive income for the period	-	-	-	-	3,512	3,512
Share issuance expenses	-	(358)	-	-	-	(358)
Dividends to shareholders	-	-	-	-	(3,284)	(3,284)
At 31 March 2016	<u>54,733</u>	<u>629</u>	<u>-</u>	<u>2,991</u>	<u>67,438</u>	<u>125,791</u>
At 1 January 2015	54,733	669	(121)	2,991	52,794	111,066
Total comprehensive income for the period	-	-	-	-	5,327	5,327
Dividends to shareholders	-	-	-	-	(1,093)	(1,093)
At 31 March 2015	<u>54,733</u>	<u>669</u>	<u>(121)</u>	<u>2,991</u>	<u>57,028</u>	<u>115,300</u>

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)

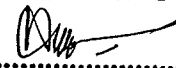
TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED

	Three months ended 31.03.2016 RM '000	Three months ended 31.03.2015 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,662	7,577
Adjustments for:-		
Depreciation	2,986	2,926
Finance income	(23)	(49)
Finance costs	124	172
Property, plant and equipment written off	6	20
Unrealised loss on foreign exchange	257	187
(Gain)/ loss on disposal of property, plant and equipment	(50)	3
Expenses/ (Reversal of expenses) related to defined benefit plans	11	(2)
Operating profit before changes in working capital	7,973	10,834
Change in inventories	3,351	7,130
Change in trade and other receivables	14,746	740
Change in trade and other payables	(5,542)	(3,643)
Cash generated from operations	20,528	15,061
Tax paid	(2,193)	(557)
Other finance costs paid	(44)	(56)
Net cash from operating activities	18,291	14,448
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(9,217)	(12,223)
Proceeds from disposal of property, plant and equipment	50	-
Interest received	23	49
Net cash used in investing activities	(9,144)	(12,174)

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)


TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Three months ended 31.03.2016 RM '000	Three months ended 31.03.2015 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	-	8,769
Repayment of term loans	(1,118)	(677)
Net short term borrowings	(1,833)	(6,774)
Payments of finance lease liabilities	-	(135)
Dividends paid to owners of the Company	(225)	(1,087)
Interest paid	(79)	(116)
Share issuance expenses	(358)	-
Net cash used in financing activities	(3,613)	(20)
Net increase in cash and cash equivalents	5,534	2,254
Cash and cash equivalents at 1 January	11,715	12,717
Cash and cash equivalents at 31 March	17,249	14,971
* Cash and cash equivalents at end of the period consist of:-		
Deposit placed with licensed banks	5,800	6,600
Cash and bank balances	11,449	8,371
	17,249	14,971

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.)

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016

A. NOTES TO THE QUARTERLY FINANCIAL REPORT

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad, and Malaysia Financial Reporting Standard (MFRS) 134: Interim Financial Reporting. These condensed consolidated interim financial statements also comply with IAS34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2015.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2016

- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 5, *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 7, *Financial Instruments: Disclosures (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure of Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiative*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture – Agriculture: Bearer Plants*
- Amendments to MFRS 119, *Employee Benefits (Annual Improvements 2012-2014 Cycle)*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2012-2014 Cycle)*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**

1 Basis of preparation (continued)

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations in the respective financial years when the above standards, amendments and interpretations become effective.

The initial application of these standards, amendments and interpretations are not expected to have any material financial impacts to the current and prior periods financial statements of the Group and of the Company upon their first adoption except as mentioned below:

(i) MFRS 15, Revenue from Contracts with Customers

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 15.

(ii) MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 9.

2 Audit qualification

The preceding audited financial statements of the Group were not subject to any audit qualification.

3 Seasonality or cyclicity of operations

The business operations of the Group during the financial quarter under review were not materially affected by any seasonal or cyclical factors.

4 Unusual items affecting the assets, liabilities, equity, net income or cash flows

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

5 Material changes in estimates

There were no changes in estimates of amounts, which have a material effect in the current quarter.

6 Issuances, cancellations, repurchases, resales and repayments of debts and equity securities

There were no issuances, cancellations, repurchases, resales and repayments of debts and equity securities for the current quarter.

7 Dividend paid

The board declared a tax exempt interim dividend of 3 sen per ordinary share of RM 0.50 each totaling RM3,284,027 on 26th February 2016, based on issued and paid up capital as at 18th March 2016 and paid on 8th April 2016.

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)


TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**
8 Segment information

The Group operates principally in Malaysia and in the manufacture and sale of flexible packaging materials.

The Group's operation is divided into local and export market. The local market relates to sales to customers within Malaysia. The export market relates to sales to overseas customers with South East Asia being the principal market segment.

	Individual quarter ended	
	31 March 2016	31 March 2015
	RM'000	RM'000
Revenue		
- Local	24,321	23,361
- Overseas	27,041	28,747
	51,362	52,108

9 Valuations of Property, plant and equipment

The Group did not carry out any valuations on its property, plant and equipment for the current quarter.

10 Material events subsequent to period end

There were no material events subsequent to period end save for the corporate proposal stated in Note 6 under the additional information as required by the Bursa Malaysia Securities Berhad's listing requirements.

11 Changes in composition of the group

There were no changes in the composition of the Group for the current quarter.

12 Contingent liabilities

	31 March 2016	31 March 2015
	RM'000	RM'000
Secured corporate guarantees for banking facilities given to subsidiary	7,773	10,762
Unsecured corporate guarantees for banking facilities given to subsidiary	18,811	14,950

13 Capital commitments

	31 March 2016	31 March 2015
	RM'000	RM'000
Plant and equipment Contracted but not provided for	46,410	4,527
Authorised but not contracted for	11,645	208

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UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**

B. ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

1 Review of performance

For the 3 months period ended 31 March 2016, the Group achieved a turnover of RM51.36 million compared to RM52.11 million for the same period last year, a marginal decrease of 1.44%. This was mainly attributable to a slight reduction in demand from overseas customers.

As for pre-tax profits, the Group recorded a lower pre-tax profit of RM4.66 million against the pre-tax profit of RM7.58 million in the previous corresponding period. This decrease was mainly due to increased cost of production arising from increased cost of imported raw materials, higher energy and labour cost. Foreign exchange volatility contributed significantly to the reduction in profit for this quarter.

2 Variation of results against preceding quarter

The Group reported a pre-tax profit of RM4.66 million for the first quarter ended 31 March 2016 compared to a pre-tax profit of RM7.33 million in the preceding quarter, a decrease of 36.43%, mainly due to the reasons as stated above.

3 Prospects

The external operating environment continues to be challenging for the next quarter and is expected to remain as such for 2016. The impact from the slowdown in growth in some of the economy, particularly in emerging markets such as China, will continue to be felt and will have an impact on our operations.

Despite such trying conditions, the Board is confident that the Group's performance will be maintained since the food and beverage sector remains resilient. The Group will also continue to focus on achieving greater operational efficiencies and development of its manpower resources. The Group will continue to expand its customer base and new markets.

The Board remains cautiously optimistic of the Group's performance for the financial year ending 2016.

4 Profit forecast

No profit forecast was provided for the current quarter and financial year-to-date.

5 Tax expense

Taxation comprises the following:-

The tax expense comprises the followings:

Tax expense

- Current period
- Prior year

Deferred tax expense

- Current period
- Prior year

Individual quarter ended	
31 March 2016	31 March 2015
RM'000	RM'000

	1,150	2,130
	-	-
	<u>1,150</u>	<u>2,130</u>
	-	120
	-	-
	<u>-</u>	<u>120</u>
	<u>1,150</u>	<u>2,250</u>

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ANG MUI KIOW
Company Secretary
(LS 0001886)

20 MAY 2016

UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)


TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**
6 Status of corporate proposal announced

On 1 December 2015, the Company announced that it had proposed to undertake the following:

- (i) Proposed renounceable rights issue of up to 54,733,775 new ordinary shares of RM0.50 each in Tomypak ("Tomypak Share(s)" or "Share(s)") ("Rights Share(s)") on the basis of one (1) Rights Share for every two (2) existing Tomypak Shares held on an entitlement date to be determined later ("Entitlement Date"), together with up to 54,733,775 free detachable warrants ("Warrant(s)") on the basis of one (1) Warrant for every one (1) Rights Share subscribed ("Proposed Rights Issue with Warrants");
- (ii) Proposed establishment of an Employees' Share Option Scheme ("ESOS") of up to fifteen percent (15%) of the prevailing issued and paid-up ordinary share capital of Tomypak for the eligible Directors and employees of Tomypak and its subsidiary(ies) ("Tomypak Group" or "Group") to be implemented after the completion of the Proposed Rights Issue with Warrants ("Proposed ESOS" or "ESOS Scheme");
- (iii) Proposed allocation of ESOS options to the executive Directors and non-executive Directors of Tomypak pursuant to the Proposed ESOS ("Proposed Allocation");
- (iv) Proposed increase in the authorised share capital of Tomypak from RM100,000,000 comprising 200,000,000 Shares to RM250,000,000 comprising 500,000,000 Shares ("Proposed Increase in Authorised Share Capital"); and
- (v) Proposed amendment to the Memorandum and Articles of Association of Tomypak ("Proposed Amendment").

On behalf of the Board of Directors of Tomypak, RHB Investment Bank Berhad had on 11 January 2016 announced that Bursa Malaysia Securities Berhad had, vide its letter dated 8 January 2016, approved the following subject to the terms and conditions as stipulated in the Letter of Approval:

- (a) Listing of up to 54,733,775 Rights Shares to be issued pursuant to the Proposed Rights Issue with Warrants;
- (b) Admission to the Official List and the listing of up to 54,733,775 Warrants to be issued pursuant to the Proposed Rights Issue with Warrants;
- (c) Listing of up to 54,733,775 new Tomypak Shares to be issued from the exercise of the Warrants; and
- (d) Listing of such number of additional new Tomypak Shares, representing up to 15% of the prevailing issued and paid-up ordinary share capital of Tomypak (excluding treasury shares), to be issued pursuant to the Proposed ESOS.

At the Extraordinary General Meeting held on 26 February 2016, the above corporate proposal was approved by the shareholders.

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.....
ANG MUI KIW
Company Secretary
 (LS 0001886)

20 MAY 2016

UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)

TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016**

7 Group borrowings and debts securities

The borrowings of the Group denominated in Ringgit Malaysia as at the end of the reporting period are as follows:-

	31 March 2016 RM'000	31 March 2015 RM'000
Non-current		
<i>Secured</i>		
Term loans	5,428	6,959
Finance lease liabilities	-	-
	5,428	6,959
Current		
<i>Secured</i>		
Term loans	2,345	3,710
Finance lease liabilities	-	93
	2,345	3,803
<i>Unsecured</i>		
Trust receipts	18,811	14,950
	18,811	14,950
	21,156	18,753
	26,584	25,712

8 Disclosure of derivatives

There were no financial derivatives for current quarter ended 31 March 2016.

9 Changes in material litigation

There were no pending material litigations at the date of this quarterly report.

10 Dividend

The Board is pleased to declare a tax exempt interim dividend of 2 sen per ordinary share of RM0.50 each on 18 May 2016 in respect of the financial year ending 31 December 2016 and the said dividend will be paid on 17 June 2016 to shareholders whose names appear on the Company's Record of Depositors on 2 June 2016.

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ANG MUI KIW
Company Secretary
 (LS 0001886)

UNAUDITED FINANCIAL RESULTS OF OUR GROUP FOR THE FPE 31 MARCH 2016 (Cont'd)



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2016

11 Earnings per ordinary shares

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the period under review is based on profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue during the said financial period, adjusted by the number of ordinary shares repurchased during the period under review.

	Individual quarter ended	
	31 March 2016	31 March 2015
Net Profit attributable to ordinary shareholders (RM'000)	3,512	5,327
Weighted average number of ordinary shares in issue ('000)	109,467	109,341
Basic earnings per ordinary share (sen)	<u>3.21</u>	<u>4.87</u>

12 Disclosure of realised and unrealised profits/ losses

	As at 31.03.2016 RM'000	As at 31.12.2015 RM'000
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	76,947	76,313
~ Unrealised losses	(9,509)	(9,103)
Total retained earnings of the Group	<u>67,438</u>	<u>67,210</u>

13 Notes to the Statements of Comprehensive Income

Profit before tax is arrived at after charging/ (crediting):

	Individual quarter ended	
	31 March 2016 RM'000	31 March 2015 RM'000
Interest income	(23)	(49)
Other income	(42)	(282)
Interest expense	124	172
Depreciation	2,986	2,926
Bad debts recovered	-	(2)
(Reversal of)/ Allowance for slow moving inventories	(134)	189
Foreign exchange:		
- Realised loss/ (gain)	454	(460)
- Unrealised loss	257	187
(Gain)/ loss on disposal of property, plant and equipment	(50)	3

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ANG MUI KIW
Company Secretary
(LS 0001886)

20 MAY 2016

DIRECTORS' REPORT


TOMYPAK HOLDINGS BERHAD (Co. No: 337743-W)

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 Johor, Malaysia. Tel: 07-2378585 (5 Lines) Fax: 07-2378575
 E-mail: investor@tomypak.com.my website: www.tomypak.com.my

Registered Office:

Suite 7E, Level 7,
 Menara Ansar
 65, Jalan Trus
 80000 Johor Bahru
 Johor Darul Ta'zim

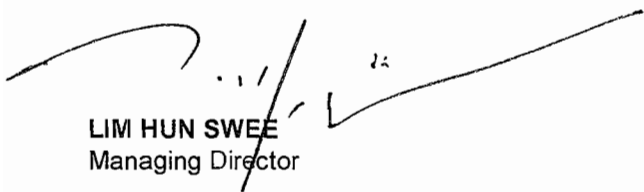
Date: 24 May 2016

To: The Entitled Shareholders of Tomypak Holdings Berhad

On behalf of the Board of Directors of Tomypak Holdings Berhad ("**Tomypak**" or the "**Company**") ("**Board**"), I wish to report that, after making due enquiries in relation to the Company and its subsidiary companies ("**Group**") during the period between 31 December 2015, being the date on which the latest audited consolidated financial statements have been made up, and the date of this letter, being a date not earlier than fourteen (14) days before the issuance of this Abridged Prospectus:

- (i) the business of our Group has, in the opinion of our Board, been satisfactorily maintained;
- (ii) in the opinion of our Board, no circumstances have arisen since the last audited consolidated financial statements of our Group which have adversely affected the trading or the value of the assets of our Group;
- (iii) the current assets of our Group appear in the books at values which are believed to be realisable in the ordinary course of business;
- (iv) save as disclosed in the Abridged Prospectus, there are no contingent liabilities which have arisen by reason of any guarantee or indemnities given by our Group;
- (v) there have not been any default or any known event that could give rise to a default situation, in respect of payment of either interest and/or principal sums in relation to any borrowings in our Group; and
- (vi) save as disclosed in the Abridged Prospectus, there have been no material changes in the published reserves or any unusual factors affecting the profits of our Group since the last audited consolidated financial statements of our Group.

Yours faithfully,
 For and on behalf of the Board of Directors of
TOMYPAK HOLDINGS BERHAD


LIM HUN SWEE
 Managing Director



**"Your Satisfaction
 Our Success"**

多美控股有限公司

ADDITIONAL INFORMATION

1. SHARE CAPITAL

- (i) Save for the Rights Shares, Warrants and the new Tomypak Shares to be issued pursuant to the exercise of the Warrants, no securities will be allotted or issued on the basis of this AP later than twelve (12) months after the date of the issuance of this AP.
- (ii) As at the LPD, there is no founder, management, deferred shares or preference shares in the share capital of our Company. There is only one (1) class of shares in our Company, namely ordinary shares of RM0.50 each, all of which rank *pari passu* with one another.
- (iii) All the Rights Shares and new Tomypak Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Tomypak Shares, save and except that they will not be entitled to any dividend, rights, allotment and/or other distribution that may be declared, made or paid to shareholders, the entitlement date of which is prior to the allotment date of the Rights Shares and new Tomypak Shares to be issued pursuant to the exercise of the Warrants, respectively.
- (iv) As at the LPD, save as disclosed below, no person has been, is or would be entitled to be given an option to subscribe for any share, stocks and debentures of our Company or our subsidiaries:
 - (a) the Rights Shares with Warrants to be provisionally allotted to the Entitled Shareholders pursuant to the Rights Issue with Warrants. The Warrants are exercisable into up to 54,733,775 Tomypak Shares at an exercise price of RM2.29 per Warrant which will expire on the day falling immediately before the fifth (5th) anniversary of the date of issue of the Warrants and if such date is not a Market Day, then the next Market Day; and
 - (b) under the ESOS, up to fifteen percent (15%) of the prevailing issued and paid-up ordinary share capital of Tomypak (excluding treasury shares) can be issued at any point in time, during the duration of five (5) years of the ESOS (or such extended duration pursuant to the provisions of the by-laws as set out under the ESOS). The price at which the eligible Directors and employees shall be entitled to subscribe for each Tomypak Share shall be the higher of the five (5)-day WAMP of Tomypak Shares immediately preceding the offer date, subject to a discount of not more than ten percent (10%), or the par value of Tomypak Shares. As at the LPD, the ESOS has not been implemented.
- (v) Save for the Right Shares, the Warrants and the Tomypak Shares to be issued arising from the exercise of the Warrants and ESOS, no securities in our Company have been issued or are proposed or intended to be issued either as fully or partly paid-up in cash or otherwise than in cash within the two (2) years immediately preceding the date of this AP.

ADDITIONAL INFORMATION (Cont'd)

2. DIRECTORS' REMUNERATION

The provisions in our Company's Articles of Association in relation to the remuneration of our Directors are as follows:

Article 89

- (a) The fees payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in general meeting. Provided that such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting.
- (b) Executive director(s) shall subject to the terms of any agreement (if any) entered into in any particular case, received such remuneration (whether by way of salary, commission or participation in profit, or partly in one way or partly in another) as the Directors may from time to time determine. All remuneration payable to the non-executive Director(s) shall be determined by a resolution of the Company in general meeting.
- (c) Fees payable to non-executive Directors shall be a fixed sum, and not by a commission on or percentage of profits or turnover.
- (d) Salaries payable to executive Director(s) may not include a commission on or percentage of turnover.
- (e) Any fee paid to an Alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 90

- (1) The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending Board Meetings of the Company.
- (2) If any Director being willing shall be called upon to perform extra services or to make any special efforts in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a Member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Company in general meeting and such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the Directors. Any extra remuneration payable to non-executive Director(s) shall not include a commission on or percentage of turnover or profits.

Article 115

The remuneration of a Managing Director shall, subject to any contract between him and the Company, be fixed by the Directors and may be by way of fixed salary or participation in profits or by any or all of those modes, but shall not include a commission on or percentage of turnover.

ADDITIONAL INFORMATION (Cont'd)

3. DECLARATION OF CONFLICT OF INTEREST

RHBIB has been appointed as our Principal Adviser for the Rights Issue with Warrants.

RHBIB, its subsidiaries and associated companies, as well as its holding company RHB Bank Berhad (upon completion of the internal reorganisation within the RHB Capital Berhad group of companies on 14 April 2016 ("**Internal Reorganisation**") ("**RHB Group**") form a diversified financial group and may extend credit facilities or engage in a private banking, commercial banking, and investment banking transactions including, inter alia, brokerage, securities trading, assets and funds management and credit transaction service businesses in its ordinary course of business with the Company and/or persons acting in concert with it. Furthermore, any member of the RHB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with the Company and/or its affiliates, hold long or short positions, may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of the Company and/or its affiliates. This is the result of the businesses of the RHB Group generally acting independently of each other which may generate situations where parts of the RHB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of the Company.

Save as disclosed below, RHBIB confirms that as at the LPD, there are no other equity and/or financial relationship with Tomypak Group and/or any of the Directors and/or substantial shareholders, that has resulted in or may result in a situation of conflict of interest in its role as the Principal Adviser to the Company for the Rights Issue with Warrants:

- (a) RHB Bank Berhad has extended trading facilities to Tomypak Group. The total amount outstanding represents approximately 0.009% and 0.06% of RHB Capital Berhad's (the holding company of RHBIB prior to the completion of the Internal Reorganisation) audited consolidated loans, advances and financing and audited shareholders' fund (excluding non-controlling interests) as at 31 December 2015, respectively; and
- (b) RHBIB has extended a margin facility to Lim Hun Swee, a Director and substantial shareholder of Tomypak, in relation to the Rights Issue with Warrants.

RHBIB is of the opinion that the relationship disclosed above will not give rise to a situation of conflict of interest in its capacity as the Principal Adviser to the Company for the Rights Issue with Warrants on the basis that:

- (a) the Rights Issue with Warrants is a capital raising transaction involving all shareholders of Tomypak, who will be given equal opportunity to subscribe for new Tomypak Shares in the Company on equal terms;
- (b) the granting of facilities is in the ordinary course of business of RHB Group and the facilities are subject to the respective approving parties of RHBIB and RHB Bank Berhad;
- (c) RHBIB is a licensed investment bank which is governed by the Financial Services Act 2013 and the CMSA and its appointment as the Principal Adviser to the Company for the Corporate Exercises, is in the ordinary course of business as a licensed investment bank. Furthermore, a legal due diligence in relation to the Corporate Exercises has been undertaken by professional advisers;

ADDITIONAL INFORMATION (Cont'd)

- (d) RHBIB does not derive any other monetary benefits from the Company in respect of the Rights Issue with Warrants save and except for the professional fees to be paid to RHBIB vis-à-vis its role as the Principal Adviser for the Rights Issue with Warrants;
- (e) the Company has no representative on the board of RHB Group; and
- (f) the corporate finance division of RHBIB is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and BNM governing its advisory operations. These guidelines require for, amongst others, Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations.

4. MATERIAL CONTRACTS

Neither Tomypak nor any of our subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within two (2) years immediately preceding the date of this AP.

5. MATERIAL LITIGATION

As at the LPD, neither Tomypak nor our subsidiaries are engaged in any material litigation, claims or arbitrations, either as plaintiff or defendant, and our Board does not have any knowledge of any proceedings pending or threatened against Tomypak and/or our subsidiaries or of any fact likely to give rise to any proceeding, which may materially or adversely affect the business or financial position of Tomypak or any of our subsidiaries.

6. GENERAL

- (i) There is no existing or proposed service contract entered or to be entered into by Tomypak with any Director or proposed Director, other than those which are expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one (1) year from the date of this AP.
- (ii) The estimated expenses for the Corporate Exercises of approximately RM600,000, all of which will be borne by our Company.
- (iii) Save as disclosed in this AP, our Directors, after making all reasonable enquiries, are not aware of any material information including trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group.
- (iv) Save as disclosed in this AP, the financial conditions and operations of our Group are not affected by any of the following:
 - (a) known trends or known demands, commitments, events or uncertainties that will result in or are reasonably likely to result in our Group's liquidity increasing or decreasing in any material way;
 - (b) material commitments for capital expenditure;
 - (c) unusual or infrequent events or transactions or significant economic changes that will materially affect the amount of reported income from operations;

ADDITIONAL INFORMATION (Cont'd)

- (d) known trends or uncertainties that have had or that our Group reasonably expects to have a material favourable or unfavourable impact on our Group's revenue or operating income;
- (e) substantial increase in revenue; and
- (f) material information, including special trade factors or risks, which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group.

7. WRITTEN CONSENTS

The written consents of our Principal Adviser, company secretaries, principal bankers, Bloomberg Finance L.P., share registrar and due diligence solicitors for the Rights Issue with Warrants to the inclusion in this AP of their names in the form and context in which they appear have been given before issuance of this AP and have not subsequently been withdrawn.

The written consents of the auditors and reporting accountants to the inclusion in this AP of their names, the auditors' report on the audited consolidated financial statements of our Group for the FYE 31 December 2015 and reporting accountant's letter on the pro forma consolidated statements of financial position as at 31 December 2015 of our Company, and all references thereto in the form and context in which it appears have been given before the issuance of this AP and have not subsequently been withdrawn.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents are made available for inspection at the Registered Office of our Company at Suite 7E, Level 7, Menara Ansar, 65, Jalan Trus, 80000 Johor Bahru, Johor Darul Ta'zim during normal office business hours from Monday to Friday (except public holidays) for a period of twelve (12) months from the date of this AP:

- (i) our Memorandum and Articles of Association;
- (ii) the Deed Poll constituting the Warrants;
- (iii) the Directors' Report as set out in Appendix VI of this AP;
- (iv) the pro forma consolidated statements of financial position of our Group as at 31 December 2015 in relation to the Rights Issue with Warrants together with the notes and reporting accountants' letter thereon as set out in Appendix III of this AP;
- (v) the consent letters as referred to in Section 7 of Appendix VII of this AP;
- (vi) the declaration of conflict of interest as referred to in Section 3 of Appendix VII of this AP;
- (vii) our audited consolidated financial statements for the past two (2) FYE 31 December 2014 and 31 December 2015;
- (viii) our unaudited financial results for the FPE 31 March 2016; and
- (ix) the letters of undertaking by the Undertaking Shareholders as referred to in Section 5 of this AP.

ADDITIONAL INFORMATION (Cont'd)

9. RESPONSIBILITY STATEMENT

This AP, together with the NPA and RSF have been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

RHBIB, being the Principal Adviser, for the Rights Issue with Warrants, acknowledges that, based on all available information, this AP constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

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