



**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2017**

The Board of Directors is pleased to submit its quarterly report on the consolidated results of the Group for the second quarter ended 30 June 2017.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME –
UNAUDITED**

	Three months ended		Six months ended	
	30.06.2017 RM '000	30.06.2016 RM '000	30.06.2017 RM '000	30.06.2016 RM '000
Revenue	52,310	56,818	106,228	108,182
Operating Profit	4,327	6,686	11,206	11,449
Finance income	69	55	96	78
Finance costs	(282)	(173)	(509)	(297)
Profit before taxation	4,114	6,568	10,793	11,230
Income tax expense	(58)	(1,450)	(488)	(2,600)
Profit for the period	4,056	5,118	10,305	8,630
Foreign currency translation differences for foreign operation	(7)	-	(5)	-
Total comprehensive income for the period	4,049	5,118	10,300	8,630
Profit attributable to:				
Owners of the Company	4,065	5,120	10,327	8,632
Non-controlling interests	(9)	(2)	(22)	(2)
Profit for the period	4,056	5,118	10,305	8,630
Total comprehensive income attributable to:-				
Owners of the Company	4,061	5,118	10,324	8,630
Non-controlling interests	(12)	-	(24)	-
Total comprehensive income for the period	4,049	5,118	10,300	8,630
Basic earnings per ordinary share (sen)	4.12	5.19	5.17	4.32
Diluted earnings per ordinary share (sen)	4.02	5.07	5.11	4.27

The earnings per ordinary share for the quarter/period ended June 30, 2016 had been adjusted to reflect the share split involving the subdivision of every one (1) existing ordinary share into two (2) ordinary shares and bonus issue of one (1) for every four (4) split shares held by the entitled shareholders, which were completed on June 2, 2017.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 30.06.2017 RM '000	Audited As at 31.12.2016 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	151,084	141,290
Total non-current assets	<u>151,084</u>	<u>141,290</u>
Current assets		
Inventories	38,437	31,524
Trade and other receivables	64,272	64,426
Tax recoverable	3,254	874
Cash and cash equivalents	12,756	30,906
Total current assets	<u>118,719</u>	<u>127,730</u>
TOTAL ASSETS	<u>269,803</u>	<u>269,020</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	108,150	82,506
Reserves	88,574	106,217
Total equity attributable to owners of the Company	196,724	188,723
Non-controlling interests	24	46
Total equity	<u>196,748</u>	<u>188,769</u>
Non-current liabilities		
Loans and borrowings	19,886	19,925
Employee benefits	647	658
Deferred tax liabilities	9,370	9,112
Total non-current liabilities	<u>29,903</u>	<u>29,695</u>
Current liabilities		
Trade and other payables	22,940	36,194
Loans and borrowings	19,966	14,206
Taxation	-	-
Dividends payable	246	156
Total current liabilities	<u>43,152</u>	<u>50,556</u>
Total liabilities	<u>73,055</u>	<u>80,251</u>
TOTAL EQUITY AND LIABILITIES	<u>269,803</u>	<u>269,020</u>
Net assets per share (RM)	0.47	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 2016 and the accompanying explanatory notes attached to the interim financial statements.)



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2017**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

	Attributable to owners of the Company							Total	Non-controlling interest	Total equity	
	Non-distributable				Distributable						
	Share capital	Share premium	Translation reserve	Treasury share	Employee Share-based reserve	Merger reserves	Warrant reserve	Retained earnings			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
At 1 January 2017	82,506	11,902	(3)	(471)	1,248	2,991	16,967	73,583	188,723	46	188,769
Foreign currency translation differences for foreign operation	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	10,327	10,327	(22)	10,305
Total comprehensive income for the period	-	-	-	-	-	-	-	10,327	10,327	(22)	10,305
Equity settled share based transactions	25,644	65	-	-	(920)	-	-	-	24,789	-	24,789
Bonus issues	-	(11,000)	-	-	-	-	-	(9,941)	(20,941)	-	(20,941)
Share split and bonus issue expenses	-	(198)	-	-	-	-	-	-	(198)	0	(198)
Share issued expenses	-	-	-	-	-	-	-	-	-	-	-
Treasury shares acquired and resale	-	-	-	471	-	-	-	222.00	693	-	693
Dividends to shareholders	-	-	-	-	-	-	-	(6,669)	(6,669)	-	(6,669)
At 30 June 2017	108,150	769	(3)	-	328	2,991	16,967	67,522	196,724	24	196,748



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2017**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED (continued)

	Attributable to owners of the Company							Total	Non-controlling interest	Total equity	
	Non-distributable				Distributable						
	Share capital	Share premium	Translation reserve	Treasury share	Employee Share-based reserve	Merger reserves	Warrant reserve	Retained earnings			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
At 1 January 2016	54,733	987	-	-	-	2,991	-	67,210	125,921	-	125,921
Foreign currency translation differences for foreign operation	-	-	(3)	-	-	-	-	-	(3)	(2)	(5)
Profit for the period	-	-	-	-	-	-	-	18,424	18,424	(46)	18,378
Total comprehensive income for the period	-	-	(3)	-	-	-	-	18,424	18,421	(48)	18,373
Equity settled share based transactions	406	1,153	-	-	1,248	-	-	-	2,807	-	2,807
Subscription of shares in a subsidiary	-	-	-	-	-	-	-	-	-	94	94
Right issued	27,367	27,367	-	-	-	-	-	-	54,734	-	54,734
Share issued expenses	-	(638)	-	-	-	-	-	-	(638)	-	(638)
Own shares acquired	-	-	-	(471)	-	-	-	-	(471)	-	(471)
Warrant issued	-	(16,967)	-	-	-	-	16,967	-	-	-	-
Dividends to shareholders	-	-	-	-	-	-	-	(12,051)	(12,051)	-	(12,051)
At 31 December 2016	82,506	11,902	(3)	(471)	1,248	2,991	16,967	73,583	188,723	46	188,769



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED

	Six months ended 30.06.2017 RM '000	Six months ended 30.06.2016 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	10,793	11,230
Adjustments for:-		
Depreciation	6,620	6,121
Equity settled share-based transaction	54	-
Finance income	(96)	(78)
Dividend income	(189)	-
Finance costs	509	297
Property, plant and equipment written off	2	4
Unrealised (gain)/ loss on foreign exchange	(1,148)	63
Gain on disposal of property, plant and equipment	-	(6)
Operating profit before changes in working capital	<u>16,545</u>	<u>17,631</u>
Changes in employee benefits	(11)	7
Changes in inventories	(6,913)	3,180
Changes in trade and other receivables	(994)	8,161
Changes in trade and other payables	<u>(9,868)</u>	<u>(8,915)</u>
Cash generated from operations	(1,241)	20,064
Tax paid	(2,610)	(3,682)
Other finance costs paid	(71)	(74)
Net cash (used in)/ from operating activities	<u>(3,922)</u>	<u>16,308</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(16,416)	(22,519)
Proceeds from disposal of property, plant and equipment	-	144
Interest received	96	78
Dividend received	189	-
Net cash used in investing activities	<u>(16,131)</u>	<u>(22,297)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Six months ended 30.06.2017 RM '000	Six months ended 30.06.2016 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	3,386	-
Repayment of term loans	(1,941)	(1,587)
Net short term borrowings	4,276	8,708
Net proceeds from the repurchase and resale of treasury shares	693	-
Dividends paid to owners of the Company	(6,579)	(5,645)
Interest paid	(438)	(223)
Proceeds from issuance of shares	2,704	54,734
Share issuance expenses	(198)	(552)
Net cash for financing activities	<u>1,903</u>	<u>55,435</u>
Exchange difference on translation of the financial statements of foreign operation	-	-
Net (decrease)/ increase in cash and cash equivalents	(18,150)	49,446
Cash and cash equivalents at 1 January	30,906	11,715
Cash and cash equivalents at 30 June	<u>12,756</u>	<u>61,161</u>
 * Cash and cash equivalents at end of the year consist of:-		
Deposit placed with licensed banks	-	1,600
Cash and bank balances	<u>12,756</u>	<u>59,561</u>
	<u>12,756</u>	<u>61,161</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.)



A. NOTES TO THE QUARTERLY FINANCIAL REPORT

1 Basis of preparation

(a) Statement of compliance

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 2016. 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 2016.

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 2017

- Amendments to MFRS 12, *Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 107, *Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*

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*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, *Leases*



1 Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRSs, Interpretations and amendments effective from 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.

(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.

(iii) MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The Group and the Company are currently assessing the financial impact that may arise from the adoption of MFRS 16.

(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.



1 Basis of preparation (continued)

(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 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 and financial year-to-date.

5 Material changes in estimates

There were no changes in estimates of amounts, which have a material effect in the current quarter and financial year-to-date.

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, other than:-

- i) Issuance of 1,307,035 ordinary shares pursuant to the exercise of share options under the Company's Employees Share Option Scheme; and
- ii) A total of 315,000 treasury shares were sold during the financial period end.

7 Dividend paid

- i) The board declared a tax exempt interim dividend of 2 sen per ordinary share totaling RM3,318,768 on 28th February 2017, based on issued and paid up capital as at 16th March 2017 and paid on 3rd April 2017.



**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2017**

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		Cumulative quarter ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Local	25,389	25,944	51,125	50,266
- Overseas	26,921	30,874	55,103	57,916
	<u>52,310</u>	<u>56,818</u>	<u>106,228</u>	<u>108,182</u>

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

	30 June 2017	30 June 2016
	RM'000	RM'000
Secured corporate guarantees for banking facilities given to subsidiary	<u>26,195</u>	<u>7,303</u>
Unsecured corporate guarantees for banking facilities given to subsidiary	<u>13,657</u>	<u>29,352</u>

13 Capital commitments

	30 June 2017	30 June 2016
	RM'000	RM'000
Plant and equipment		
Contracted but not provided for	<u>32,671</u>	<u>62,799</u>
Authorised but not contracted for	<u>39,474</u>	<u>5,590</u>



**B. ADDITIONAL INFORMATION AS REQUIRED BY THE BURSA MALAYSIA SECURITIES
BERHAD'S LISTING REQUIREMENTS**

1. Review of performance

The Group's performance for the quarter under review as compared to the same period of last year are as follow:

Description	2nd Quarter 17 RM'000	2nd Quarter 16 RM'000	% Change
Revenue	52,310	56,818	-7.93%
PBT	4,114	6,568	-37.36%
PAT	4,056	5,118	-20.75%

Description	1st half 17 RM'000	1st half 16 RM'000	% Change
Revenue	106,228	108,182	-1.81%
PBT	10,793	11,230	-3.89%
PAT	10,305	8,630	19.41%

Q2-2017 vs Q2-2016

For the 3 months period ended 30 June 2017, the Group achieved a turnover of RM52.31 million compared to RM56.82 million for the same period last year, a reduction of 7.93%. This was mainly attributed to a reduction in demand from overseas customers in this quarter.

The Group recorded a lower pre-tax profit of RM4.11 million and profit after tax of RM4.06 million against the pre-tax profit of RM6.57 million and profit after tax of RM5.12 million in the previous corresponding period. These decrease were mainly due to:

- a) reduction in the demand from overseas customers;
- b) increase in raw materials cost;
- c) additional depreciation cost incurred for the new plant in Senai.

H1-2017 vs H1-2016

For the 6 months period ended 30 June 2017, the Group achieved a turnover of RM106.23 million compared to RM108.18 million for the same period last year, a marginal reduction of 1.81%. This is again primarily attributed to a reduction in demand from overseas customers.

As for pre-tax profit, the Group recorded a lower pre-tax profit of RM10.79 million against the pre-tax profit of RM11.23 million in the previous corresponding period, a reduction of 3.89%. Reasons for the reduction in turnover and the pre-tax profit are as stated above.

The Group recorded profit after tax of RM10.31 million for the first half year of 2017 compared to profit after tax of RM8.63 million in the previous corresponding period, an increase of 19.41%. The Group enjoyed lower effective tax rate in the current quarter and the first half year compared to the previous corresponding period due to the higher reinvestment allowances in year 2017 arising from investments in the new plant in Senai.



2 Variation of results against preceding quarter

The Group's performance for the quarter under review as compared to the preceding quarter is as follow:

Description	2nd Quarter 17 RM'000	1st Quarter 17 RM'000	% Change
Revenue	52,310	53,918	-2.98%
PBT	4,114	6,679	-38.40%
PAT	4,056	6,249	-35.09%

For the 3 months period ended 30 June 2017, the Group achieved a turnover of RM52.31 million compared to RM53.92 million for the preceding quarter, a marginal reduction of 2.98%. The Group however reported a lower pre-tax profit of RM4.11 million and lower profit after tax of RM4.06 million compared to a pre-tax profit of RM6.68 million and profit after tax of RM6.25 million in the preceding quarter, a reduction of 38.4% and 35.09% respectively. These were mainly due to the following reasons:

- a) reduction in the demand from overseas customers;
- b) strengthening of Ringgit Malaysia against foreign currency which resulted in lower contribution margin from overseas revenue; and
- c) additional depreciation incurred in 2nd quarter arising from the commencement of operations of the new plant.

3 Prospects

With the completion of the new plant and the successful commissioning of the first more advance and efficient new printing and lamination machines, the Group is in the midst of working with major existing customers and potential customers to qualify this new plant to service these customers. Upon the successful certification of this new production process, the Group expects the overall performance to improve.

Another three sets of advance and efficient machines are schedule to be delivered in the last quarter of 2017, which will be commissioned and ready for production towards the end of the first quarter of 2018. The Group expects these machines to further improve the overall productivity and efficiency.

Barring unforeseen circumstances, the Board expects to deliver satisfactory results for the financial year ending 31 December 2017.

4 Profit forecast

No profit forecast was provided for the current quarter and financial year-to-date.



5 Tax expense

Taxation comprises the followings: -

	Individual quarter ended		Cumulative quarter ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	(150)	1,350	280	2,500
- Prior year	-	-	-	-
	<u>(150)</u>	<u>1,350</u>	<u>280</u>	<u>2,500</u>
Deferred tax expense				
- Current period	208	100	208	100
	<u>208</u>	<u>100</u>	<u>208</u>	<u>100</u>
	<u>58</u>	<u>1,450</u>	<u>488</u>	<u>2,600</u>

6 Status of corporate proposal announced

On 5 April 2017, the Company announced that it had proposed to undertake the following:

(i) proposed share split involving the subdivision of every 1 existing ordinary share in Tomypak (“**Share**”) into 2 ordinary shares in Tomypak (“**Subdivided Share(s)**”) held by the shareholders of the Company whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date (“**Entitled Shareholders**”) to be determined and announced later (“**Entitlement Date**”); and

(ii) proposed bonus issue of up to 111,556,120 new Shares (“**Bonus Share(s)**”) on the basis of 1 Bonus Share for every 4 Subdivided Shares held by the Entitled Shareholders on the Entitlement Date.

On behalf of the Board of Directors of Tomypak, RHB Investment Bank Berhad had on 14 April 2017 announced that Bursa Malaysia Securities Berhad had, vide its letter dated 14 April 2017, approved the following subject to the terms and conditions as stipulated in the Letter of Approval:

(i) Proposed Share Split;

(ii) listing of up to 111,556,120 Bonus Shares to be issued pursuant to the Proposed Bonus Issue;

(iii) listing of up to 82,100,655 Additional Warrants to be issued arising from the adjustment pursuant to the Proposed Share Split and Proposed Bonus Issue; and

(iv) listing of up to 82,100,655 new Shares to be issued arising from the exercise of the Additional Warrants.

The above corporate exercise have been completed following the listing of and quotation for 335,060,866 Subdivided Shares, 83,765,204 Bonus Shares and 82,100,644 Additional Warrants on the Main Market of Bursa Securities with effect from 9.00 a.m. on Tuesday, 6 June 2017.



7 Utilisation of Right Issue Proceeds

The status of utilisation of the proceeds of RM54,733,770 from the Rights Issue with Warrants as at 30 June 2017 are as follows:

Details of the expected utilisation of proceeds	Expected utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Construction of a new factory building	33,366	32,500	866
Purchase of machineries, equipment and other ancillary facilities	15,768	12,317	3,451
Working capital	5,000	5,000	-
Estimated expenses in relation to the Corporate Exercise	600	600	-
Total	54,734	50,417	4,317

8 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: -

	30 June 2017 RM'000	30 June 2016 RM'000
Non-current		
<i>Secured</i>		
Term loans	19,886	4,180
Finance lease liabilities	-	-
	19,886	4,180
Current		
<i>Secured</i>		
Term loans	6,309	3,123
Finance lease liabilities	-	-
	6,309	3,123
<i>Unsecured</i>		
Trust receipts	13,657	29,352
	13,657	29,352
	19,966	32,475
	39,852	36,655

9 Disclosure of derivatives

There were no financial derivatives for current quarter ended 30 June 2017.



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10 Changes in material litigation

There were no pending material litigations at the date of this quarterly report.

11 Dividend

The Board is pleased to declare a tax exempt interim dividend of 0.8 sen per ordinary share on 25th August 2017 in respect of the financial year ending 31st December 2017 and the said dividend will be paid on 2nd October 2017 to shareholders whose names appear on the Company's Record of Depositors 21st September 2017.

12 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 rights issue during the period under review.

	Individual quarter ended		Cumulative quarter ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
Adjusted Net Profit attributable to ordinary shareholders (RM'000)	4,065	5,120	10,327	8,632
Weighted average number of ordinary shares in issue ('000)	98,616	98,616	199,742	199,742
Basic earnings per ordinary share (sen)	<u>4.12</u>	<u>5.19</u>	<u>5.17</u>	<u>4.32</u>

Diluted earnings per ordinary share

The calculation of diluted 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, after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Three months		Six months	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
Adjusted Net Profit attributable to ordinary shareholders (RM'000)	4,065	5,120	10,327	8,632
Weighted average number of ordinary shares in issue ('000)	101,043	101,043	202,169	202,169
Diluted earnings per ordinary share (sen)	<u>4.02</u>	<u>5.07</u>	<u>5.11</u>	<u>4.27</u>

The earnings per ordinary share for the quarter/period ended June 30, 2016 had been adjusted to reflect the share split involving the subdivision of every one (1) existing ordinary share into two (2) ordinary shares and bonus issue of one (1) for every four (4) split shares held by the entitled shareholders, which were completed on June 2, 2017.



13 Disclosure of realised and unrealised profits/ losses

	As at 30.06.2017	As at 31.12.2016
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:		
~ Realised profits	77,919	82,838
~ Unrealised losses	(10,397)	(9,255)
Total retained earnings of the Group	67,522	73,583

14 Notes to the Statements of Comprehensive Income

Profit before tax is arrived at after charging/ (crediting):

	Individual quarter ended		Cumulative quarter ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	RM'000	RM'000	RM'000	RM'000
Dividend income	(67)	-	(189)	-
Interest expense	280	173	509	297
Depreciation	3,494	3,135	6,620	6,121
Bad debts recovered	(140)	-	(146)	-
Reversal of slow moving inventories	(10)	47	(355)	(87)
Foreign exchange:				
- Realised loss	457	215	475	669
- Unrealised (gain)/ loss	(1,325)	257	(1,148)	753
(Gain)/ loss on disposal of property, plant and equipment	-	43	(2)	(6)