

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

	Three months ended		Nine months ended	
	30.09.2018 RM '000	30.09.2017 RM '000 Restated	30.09.2018 RM '000	30.09.2017 RM '000 Restated
Revenue	49,562	55,562	132,383	160,497
Operating (Loss)/ Profit	414	4,779	(1,047)	15,741
Finance income	14	33	54	129
Finance costs	(751)	(448)	(1,917)	(957)
ESOS expenses	(133)	(993)	(133)	(993)
(Loss)/ Profit before taxation	(456)	3,371	(3,043)	13,920
Income tax income/ (expense)	2,711	(78)	5,296	(507)
(Loss)/ Profit for the period	2,255	3,293	2,253	13,413
Foreign currency translation differences for foreign operation	1	1	-	(4)
Total comprehensive (loss)/ income for the period	2,256	3,294	2,253	13,409
(Loss)/ Profit attributable to:				
Owners of the Company	2,253	3,297	2,251	13,439
Non-controlling interests	2	(4)	2	(26)
(Loss)/ Profit for the period	2,255	3,293	2,253	13,413
Total comprehensive (loss)/ income attributable to:-				
Owners of the Company	2,254	3,298	2,251	13,437
Non-controlling interests	2	(4)	2	(28)
Total comprehensive (loss)/ income for the period	2,256	3,294	2,253	13,409
Basic earnings per ordinary share (sen)	0.54	0.79	0.54	3.23
Diluted earnings per ordinary share (sen)	0.54	0.79	0.54	3.22

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 30.09.2018 RM '000	As at 31.12.2017 RM '000 Restated
ASSETS		
Non-current assets		
Property, plant and equipment	203,388	171,529
Total non-current assets	<u>203,388</u>	<u>171,529</u>
Current assets		
Inventories	27,443	28,994
Trade and other receivables	55,131	62,274
Contract assets	3,118	7,144
Tax recoverable	6,071	4,388
Cash and cash equivalents	3,924	10,492
Total current assets	<u>95,687</u>	<u>113,292</u>
TOTAL ASSETS	<u><u>299,075</u></u>	<u><u>284,821</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	108,893	108,735
Reserves	86,885	86,959
Total equity attributable to owners of the Company	<u>195,778</u>	<u>195,694</u>
Non-controlling interests	19	17
Total equity	<u>195,797</u>	<u>195,711</u>
Non-current liabilities		
Loans and borrowings	28,984	24,477
Employee benefits	601	665
Deferred tax liabilities	-	5,296
Total non-current liabilities	<u>29,585</u>	<u>30,438</u>
Current liabilities		
Trade and other payables	28,176	32,162
Loans and borrowings	45,465	26,280
Dividends payable	52	230
Total current liabilities	<u>73,693</u>	<u>58,672</u>
Total liabilities	<u>103,278</u>	<u>89,110</u>
TOTAL EQUITY AND LIABILITIES	<u><u>299,075</u></u>	<u><u>284,821</u></u>
Net assets per share (RM)	0.47	0.47

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.)



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2018**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

	Attributable to owners of the Company							Retained earnings	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				
RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
At 1 January 2018	108,735	993	(4)	(144)	988	2,991	16,967	65,168	195,694	17	195,711
Foreign currency translation differences for foreign operation	-	-	-	-	-	-	-	-	-	-	-
(Loss)/ Profit for the period	-	-	-	-	-	-	-	2,251	2,251	2	2,253
Total comprehensive (loss)/ income for the period	-	-	-	-	-	-	-	2,251	2,251	2	2,253
Equity settled share based transactions	-	-	-	-	-	-	-	-	-	-	-
-Share option granted	-	-	-	-	133	-	-	-	133	-	133
-Share issue pursuant to ESOS	124	-	-	-	-	-	-	-	124	-	124
Own share acquired	-	-	-	(323)	-	-	-	-	(323)	-	(323)
Dividend to owners of the Company	-	-	-	-	-	-	-	(2,101)	(2,101)	-	(2,101)
Transfer to share capital for share options exercised after implementation of Companies Act 2016	34	-	-	-	(34)	-	-	-	-	-	-
Share option forfeited	-	-	-	-	-	-	-	-	-	-	-
At 30 September 2018	108,893	993	(4)	(467)	1,087	2,991	16,967	65,318	195,778	19	195,797



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED
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	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	RM '000	RM '000	RM '000	RM '000
At 1 January 2017	82,506	11,902	(3)	(471)	1,248	2,991	16,967	74,483	189,623	46	189,669
Foreign currency translation differences for foreign operation (Loss)/ Profit for the period	-	-	(2)	-	-	-	-	-	(2)	(2)	(4)
Total comprehensive (loss)/ income for the period	-	-	(2)	-	-	-	-	13,439	13,439	(26)	13,413
Bonus issue	20,941	(11,000)	-	-	-	-	-	(9,941)	-	-	-
Equity settled share based transactions	-	-	-	-	-	-	-	-	-	-	-
-Share option granted	-	-	-	-	993	-	-	-	993	-	993
-Share issue pursuant to ESOP	4,107	-	-	-	-	-	-	-	4,107	-	4,107
Own share sold	-	-	-	471	-	-	-	222	693	-	693
Dividends to owners of the Company	-	-	-	-	-	-	-	(10,020)	(10,020)	-	(10,020)
Transfer to share premium for share options exercised prior to implementation of Companies Act 2016	-	26	-	-	(26)	-	-	-	-	-	-
premium for share options exercised after implementation of Companies Act 2016	1,070	-	-	-	(1,070)	-	-	-	-	-	-
Share option forfeited	-	-	-	-	(84)	-	-	-	(84)	-	(84)
At 30 September 2017	<u>108,624</u>	<u>928</u>	<u>(5)</u>	<u>-</u>	<u>1,061</u>	<u>2,991</u>	<u>16,967</u>	<u>68,183</u>	<u>198,749</u>	<u>18</u>	<u>198,767</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED

	Nine months ended 30.09.2018 RM '000	Nine months ended 30.09.2017 RM '000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/ Profit before tax	(3,043)	13,920
Adjustments for:-		
Depreciation	12,122	10,498
Equity settled share-based transaction	133	993
Finance income	(54)	(74)
Dividend income	(32)	(226)
Finance costs	1,917	957
Property, plant and equipment written off	-	2
Unrealised (gain)/ loss on foreign exchange	1,172	(1,410)
Gain on disposal of property, plant and equipment	(130)	(2)
Operating profit before changes in working capital	<u>12,085</u>	<u>24,658</u>
Changes in employee benefits	(64)	(2)
Changes in inventories	1,551	(7,598)
Changes in trade and other receivables	5,971	(645)
Changes in contract assets	4,026	(1,586)
Changes in trade and other payables	(3,986)	(14,244)
Cash generated from operations	<u>19,583</u>	<u>583</u>
Tax paid	(1,683)	(3,879)
Other finance costs paid	(216)	(160)
Net cash (used in)/ from operating activities	<u>17,684</u>	<u>(3,456)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(43,957)	(20,126)
Proceeds from disposal of property, plant and equipment	106	61
Interest received	54	74
Dividend received	32	226
Net cash used in investing activities	<u>(43,765)</u>	<u>(19,765)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Nine months ended 30.09.2018 RM '000	Nine months ended 30.09.2017 RM '000 Restated
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	18,230	3,386
Repayment of term loans	(6,684)	(3,781)
Net short term borrowings	11,900	4,276
Proceeds from exercise of share option	124	-
Net proceeds from the repurchase and resale of treasury shares	(323)	693
Dividends paid to owners of the Company	(2,279)	(9,943)
Interest paid	(1,455)	(797)
Proceeds from issuance of shares	-	12,299
Net cash for financing activities	<u>19,513</u>	<u>6,133</u>
Exchange difference on translation of the financial statements of foreign operation	-	2
Net (decrease)/ increase in cash and cash equivalents	(6,568)	(17,086)
Cash and cash equivalents at 1 January	10,492	30,906
Cash and cash equivalents at 30 September	<u><u>3,924</u></u>	<u><u>13,820</u></u>
 * Cash and cash equivalents at end of the year consist of:-		
Deposit placed with licensed banks	-	-
Cash and bank balances	<u>3,924</u>	<u>13,820</u>
	<u><u>3,924</u></u>	<u><u>13,820</u></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2017 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 statement are unaudited and have been prepared in accordance with paragraph 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 2017. 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 2017.

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 2019

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*

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

- MFRS 17, *Insurance Contracts*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 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 period financial statements of the Group and the Company.

(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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There is 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, cancellation, repurchases, resales and repayments of debts and equity securities for the current quarter, other than:-

- i) A total of 145,900 repurchased shares are being held at treasury shares.



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7 Dividend paid

- i) The board declared a single tier interim dividend of 0.3 sen per ordinary share totalling RM1,257,967 on 31st May 2018, based on issued and paid up capital as at 18th June 2018 and paid on 9th July 2018.

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 September 2018 RM'000	30 September 2017 RM'000	30 September 2018 RM'000	30 September 2017 RM'000
Revenue				
- Local	28,879	27,163	76,265	77,730
- Overseas	20,683	28,399	56,118	82,767
	<u>49,562</u>	<u>55,562</u>	<u>132,383</u>	<u>160,497</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.

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 September 2018 RM'000	30 September 2017 RM'000
Secured corporate guarantees for banking facilities given to subsidiary	<u>39,349</u>	<u>24,475</u>
Unsecured corporate guarantees for banking facilities given to subsidiary	<u>27,920</u>	<u>20,357</u>



13 Capital commitments

	30 September 2018 RM'000	30 September 2017 RM'000
Plant and equipment Contracted but not provided for	<u>2,523</u>	<u>33,803</u>
Authorised but not contracted for	<u>10,683</u>	<u>37,400</u>

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

1 Review of performance

The Group's performance for the quarter under review as compared to the same quarter of the previous financial year is as follow and it takes into consideration the impact of adopting MFRS 15:

Description	Q3 2018 RM '000	Q3 2017 RM '000	Change %
Revenue	49,562	55,562	(11)
Operating Profit before Foreign exchange, Interest and Tax	1,943	3,783	(49)
(Loss)/ Profit before tax	(456)	3,371	(114)
(Loss)/ Profit after tax	2,255	3,293	(31)

Quarter Review

For the 3 months period ended September 30, 2018, the Group achieved a revenue of RM49.6 million as compared to RM55.6 million for the same period last year. This revenue recognized takes into consideration the impact of MFRS 15 wherein approximately RM2.3 million of the orders that were delivered in this quarter had already been taken in as revenue in the previous quarter as prescribed by MFRS 15. The reduction in revenue in this period under review was due to the continuing reduction in orders from an international customer as compared to the same period last year.

There were also continuing planned production stoppages resulting from the on-going plant rationalization between the Tampoi and Senai factories as more of the key production lines were dismantled for major servicing and overhaul carried out with new parts installed before these equipment were moved to the Senai factory. In terms of quantity actually delivered, there was a decrease of 7 % from 3,414 metric tons in the same quarter last financial year, to 3,170 metric tons for this quarter.

The Group recorded a loss before tax of RM0.5 million for the quarter under review. This was primarily due to:

- a) lower sales as explained above,
- b) an increase in cost of goods manufactured resulting from increase in raw materials prices, particularly ink and solvent as well as higher consumption of raw materials which was partially mitigated by reduction in operating overheads as the rationalization exercise undertaken begins to take effect,
- c) an increase in depreciation costs of additional RM0.3 million as some new equipment delivered, installed and had commenced operations in 2018.



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- d) the lower volume of production due to stoppage of some of the old equipment in preparation for the move to the new factory,
- e) the Group also suffered foreign exchange loss of RM1.7 million during this quarter as compared to a foreign exchange gain of RM0.01 million last year due to the continuing weakening of the Malaysian Ringgit against the USD. The Group has borrowings in USD to finance its purchase of plant and machineries as well as working capital for purchases of imported raw materials, and
- f) there was also an increase in finance expenses of RM0.3 million in this quarter compared to the same quarter last year.

The Group however was able to turn in a profit after tax of RM2.3 million arising from the recognition of tax income and deferred tax assets.

Nine Months Review

	9mth 2018 RM '000	9mth 2017 RM '000	Change %
Revenue	132,383	160,497	(18)
Operating Profit before Foreign exchange, Interest and Tax	366	14,259	(97)
(Loss)/ Profit before tax	(3,043)	13,920	(122)
(Loss)/ Profit after tax	2,253	13,413	(83)

For the nine months ended September 30, 2018, the Group recorded a revenue of RM132.4 million as compared to RM160.5 million in the corresponding period in the previous financial year, a decrease of RM28.1 million or 18%. The decrease was primarily due to a reduction in international sales to 2 major international customers. The decrease to these international customers were partially mitigated by increase in sales to some existing and new international and local customers. The average selling price of the products shipped during this period also decreased due to different sales mix.

As a result of the reduction in sales, the Group profit before tax decreased from RM13.9 million for the nine months for financial year 2017 to a loss of RM3.04 million for the nine months ended September 30, 2018. The decrease was also attributed to increases in raw materials costs, resulting from increase in raw materials prices during these nine months as well as translation costs of these materials which are mainly in USD. The increase in raw materials cost was partially mitigated by reduction in all other major factory operational costs except for depreciation as a result of the transformation strategies implemented since the fourth quarter of 2017 and as more operations are being moved from the Tampoi plant to the new plant in Senai. Total depreciation charges increased from RM10.5 million in the first 9 months of 2017 to RM12.1 million for the 9 months of 2018 as more new equipment were commissioned into operations.

The Group also recognized a net foreign exchange loss of RM1.5 million for the nine months in this financial year, from a gain of RM0.7 million in the nine months in the prior financial year. In addition, there was also additional interest costs of RM1.0 million in this 9 months of 2018 for term loans drawn down to finance the purchase of the new production equipment as well as working capital loans for purchase of raw materials.

The Group however was able to turn in a profit after tax of RM2.3 million arising from the recognition of tax income and deferred assets.



2 Variation of results against preceding quarter

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

	Q3 2018 RM '000	Q2 2018 RM '000	Change %
Revenue	49,562	30,425	63
Operating Profit before Foreign exchange, Interest and Tax	1,943	(2,233)	187
(Loss)/ Profit before tax	(456)	(3,689)	88
(Loss)/ Profit after tax	2,255	(840)	368

For the three months ended September 30, 2018, the Group achieved a revenue of RM49.6 million compared to RM30.4 million for the preceding quarter, an increase of 63%. This is after taking into the effect of MFRS 15 wherein approximately RM2.3 million of the revenue recorded in the preceding quarter was delivered in this quarter under review.

As a result of the increase in sales in this quarter and despite an increase in raw materials costs, the profit before forex losses, interests and tax was much better at RM1.9 million for this quarter as compared to a loss of RM2.2 million for the preceding quarter. There was a foreign exchange loss of RM1.7 million for this quarter as compared to RM0.8 million loss in the preceding quarter, largely arising from term loans and working capital loans drawn down in USD to fund purchase of equipment and raw materials.

3 Prospects

As at the end of September 2018, the installation of most of our new equipment in our Senai plant has been completed and operational. The last printing line, a 8-colour flexo printing line and its ancillary bag making line is targeted to be commercially operational in December 2018. With these equipment installed and operational, all major new equipment as envisaged under the expansion program will be in place by end FY 2018.

In the meantime, the Group has commenced the rationalization of the production equipment in the two factories and have since moved and reinstalled the first printing line and laminating line from Tampoi factory to the Senai factory and has commenced commercial operations in this quarter. The second printing and laminating lines are currently being moved from Tampoi plant and should commence commercial operations towards the end of Quarter 4. This will complete the first phase of the rationalization plan. The second phase of the rationalization plan will commence in the first quarter of FY 2019.

The focus for the remaining months of this financial year will be on improving operational efficiencies and optimizing manpower utilization.

The implementation of the transformation program of our human resources where we have reduced the hiring of foreign workers by replacing them with local but more technically qualified operational staff is progressing well with over 60 new diploma, degree and master holders employed for operational, planning and quality control activities.



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This program is beginning to bear positive results as we are deploying more technically qualified personnel to handle our increasingly sophisticated production equipment over a faster learning curve while reducing our dependence on foreign workers that are here only for the short term. Moreover, it takes longer to train these new foreign workers due to cultural and language issues. We envisage that this program will continue to generate more positive results in the mid and long term as we achieve better operational efficiencies.

Meanwhile, we have further intensified our marketing efforts to secure more local and international customers as well as actively looking into the appointment of sales partners in various targeted countries to tap the respective domestic markets of these sales partners. A new team of sales and marketing personnel are being recruited to supplement the existing team and this recruitment process is in its final stage. This new team will start to come on board in the first quarter of FY 2019.

In light of the above activities, the Board is confident that the performance of the Group will continue to improve.

4 Profit forecast

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

5 Tax income/ (expense)

Taxation comprises the following:

	Individual quarter ended		Cumulative quarter ended	
	30 September	30 September	30 September	September
	2018	2017	2018	2018
	RM'000	RM'000	RM'000	RM'000
The tax income/ (expense) comprises the followings:				
Tax income/ (expense)				
- Current period	(110)	(70)	(3)	(300)
- Prior year	309	(345)	3	(345)
	<u>199</u>	<u>(415)</u>	<u>-</u>	<u>(645)</u>
Deferred tax income				
- Current period	2,512	337	5,296	138
	<u>2,512</u>	<u>337</u>	<u>5,296</u>	<u>138</u>
	<u><u>2,711</u></u>	<u><u>(78)</u></u>	<u><u>5,296</u></u>	<u><u>(507)</u></u>

6 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.



7 Utilisation of Right Issue Proceeds

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	33,366	-
Purchase of machineries, equipment and other ancillary facilities	15,768	15,768	-
Working capital	5,000	5,000	-
Estimated expenses in relation to the Corporate Exercise	600	600	-
Total	54,734	54,734	-

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 September 2018 RM'000	30 September 2017 RM'000
Non-current		
Secured		
Term loans	28,984	18,046
	28,984	18,046
Current		
Secured		
Term loans	14,260	6,429
	14,260	6,429
Unsecured		
Trust receipts	31,205	20,357
	31,205	20,357
	45,465	26,786
	74,449	44,832



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9 Disclosure of derivatives

There were no financial derivatives for current quarter ended 30 September 2018.

10 Changes in material litigation

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

11 Dividend

No dividend was declared by the Company for the current quarter under review.

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 and incorporating the share split and bonus issue for the period 30 September 2017.

	Individual quarter ended		Cumulative quarter ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
Adjusted Net Profit attributable to ordinary shareholders (RM'000)	2,253	3,297	2,251	13,439
Weighted average number of ordinary shares in issue ('000)	419,341	419,231	419,411	416,540
Basic earnings per ordinary share (sen)	<u>0.54</u>	<u>0.79</u>	<u>0.54</u>	<u>3.23</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		Nine months	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
Adjusted Net Profit attributable to ordinary shareholders (RM'000)	2,253	3,297	2,251	13,439
Weighted average number of ordinary shares in issue ('000)	419,476	419,627	419,546	416,936
Diluted earnings per ordinary share (sen)	<u>0.54</u>	<u>0.79</u>	<u>0.54</u>	<u>3.22</u>

13 Related party transactions

There were no significant related party transactions for the Group during the period under review.



14 Notes to the Statements of Comprehensive Income

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

	Individual quarter ended		Cumulative quarter ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
	RM'000	RM'000	RM'000	RM'000
Dividend income	-	(37)	(32)	(226)
Interest expense	751	450	1,917	957
Depreciation	4,194	3,879	12,122	10,498
Bad debts recovered	129	-	129	-
Allowance for/ (Reversal of) slow moving inventories	487	(47)	787	(309)
Foreign exchange:				
- Realised loss	37	254	374	729
- Unrealised loss/(gain)	1,625	(262)	1,172	(1,410)
Gain on disposal of property, plant and equipment	(112)	(2)	(130)	(2)
Equity settled share based transaction (ESOS expense)	133	939	133	993