

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

	Three months ended		Three months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM '000	RM '000	RM '000	RM '000
Revenue	<u>34,388</u>	<u>52,396</u>	<u>34,388</u>	<u>52,396</u>
Operating (Loss)/ Profit	(2,591)	1,612	(2,591)	1,612
Finance income	19	-	19	-
Finance costs	(932)	(510)	(932)	(510)
ESOS expenses	(65)	-	(65)	-
(Loss)/ Profit before taxation	<u>(3,569)</u>	<u>1,102</u>	<u>(3,569)</u>	<u>1,102</u>
Tax income	691	265	691	265
(Loss)/ Profit for the period	<u>(2,878)</u>	<u>1,367</u>	<u>(2,878)</u>	<u>1,367</u>
Foreign currency translation differences for foreign operations	<u>(2)</u>	<u>4</u>	<u>(2)</u>	<u>4</u>
Total comprehensive (expense)/ income for the period	<u>(2,880)</u>	<u>1,371</u>	<u>(2,880)</u>	<u>1,371</u>
(Loss)/ Profit attributable to:				
Owners of the Company	(2,866)	1,365	(2,866)	1,365
Non-controlling interests	(12)	2	(12)	2
(Loss)/ Profit for the period	<u>(2,878)</u>	<u>1,367</u>	<u>(2,878)</u>	<u>1,367</u>
Total comprehensive (expense)/ income attributable to:-				
Owners of the Company	(2,867)	1,368	(2,867)	1,368
Non-controlling interests	(13)	3	(13)	3
Total comprehensive (expense)/ income for the period	<u>(2,880)</u>	<u>1,371</u>	<u>(2,880)</u>	<u>1,371</u>
Basic (loss)/ earnings per ordinary share (sen)	<u>(0.68)</u>	<u>0.33</u>	<u>(0.68)</u>	<u>0.33</u>
Diluted (loss)/ earnings per ordinary share (sen)	<u>(0.68)</u>	<u>0.33</u>	<u>(0.68)</u>	<u>0.33</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 31.03.2019 RM '000	Audited As at 31.12.2018 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	199,061	202,146
Deferred tax assets	5,218	4,527
Total non-current assets	<u>204,279</u>	<u>206,673</u>
Current assets		
Inventories	26,439	28,687
Trade and other receivables	39,171	41,598
Contract assets	3,172	3,375
Tax recoverable	6,038	6,031
Cash and cash equivalents	8,048	7,055
Total current assets	<u>82,868</u>	<u>86,746</u>
TOTAL ASSETS	<u>287,147</u>	<u>293,419</u>
EQUITY AND LIABILITIES		
Equity		
Share Capital	109,909	109,883
Reserves	79,640	82,469
Equity attributable to owners of the Company	189,549	192,352
Non-controlling interests	(2)	11
Total equity	<u>189,547</u>	<u>192,363</u>
Non-current liabilities		
Loans and borrowings	-	-
Employee benefits	602	609
Deferred tax liabilities	-	-
Total non-current liabilities	<u>602</u>	<u>609</u>
Current liabilities		
Trade and other payables	16,902	22,190
Loans and borrowings	80,045	78,206
Dividends payable	51	51
Total current liabilities	<u>96,998</u>	<u>100,447</u>
Total liabilities	<u>97,600</u>	<u>101,056</u>
TOTAL EQUITY AND LIABILITIES	<u>287,147</u>	<u>293,419</u>
Net assets per share (RM)	0.45	0.46

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)



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	Translation reserve	Treasury share	Share option reserve	Merger reserve	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
At 1 January 2019	109,883	(4)	(662)	1,790	2,991	16,967	61,387	192,352	11	192,363
Foreign currency translation differences for foreign operation	-	(1)	-	-	-	-	-	(1)	(1)	(2)
(Loss)/ Profit for the period	-	-	-	-	-	-	(2,866)	(2,866)	(12)	(2,878)
Total comprehensive expense for the period	-	(1)	-	-	-	-	(2,866)	(2,867)	(13)	(2,880)
<i>Contributions by and distributions to owners of the Company</i>										
Equity settled share based transactions										
- Share option granted	-	-	-	65	-	-	-	65	-	65
- Share issue pursuant to ESOS	20	-	-	-	-	-	-	20	-	20
- Share option exercised	6	-	-	(6)	-	-	-	-	-	-
Own share acquired	-	-	(21)	-	-	-	-	(21)	-	(21)
Dividend to owners of the Company	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	26	-	(21)	59	-	-	-	64	-	64
Share option forfeited	-	-	-	(194)	-	-	194	-	-	-
At 31 March 2019	<u>109,909</u>	<u>(5)</u>	<u>(683)</u>	<u>1,655</u>	<u>2,991</u>	<u>16,967</u>	<u>58,715</u>	<u>189,549</u>	<u>(2)</u>	<u>189,547</u>



TOMYPAK HOLDINGS BERHAD (Company No. 337743-W)

**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2019**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

	Attributable to owners of the Company										
	Non-distributable							Distributable			
	Share capital	Share premium	Translation reserve	Treasury share	Share option reserve	Merger reserves	Warrant reserve	Retained earnings	Total	Non-controlling interest	Total equity
	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	65,452	195,978	17	195,995
Foreign currency translation differences for foreign operation	-	-	3	-	-	-	-	-	3	1	4
Profit for the period	-	-	-	-	-	-	-	1,365	1,365	2	1,367
Total comprehensive income for the period	-	-	3	-	-	-	-	1,365	1,368	3	1,371
Equity settled share based transactions	99	(224)	-	-	136	-	-	-	11	-	11
Bonus issues	-	-	-	-	-	-	-	-	-	-	-
Share split and bonus issues	-	-	-	-	-	-	-	-	-	-	-
Share issued expenses	-	-	-	-	-	-	-	-	-	-	-
Treasury shares acquired and resale	-	-	-	(32)	-	-	-	-	(32)	-	(32)
Dividends to shareholders	-	-	-	-	-	-	-	310	310	-	310
At 31 March 2018	<u>108,834</u>	<u>769</u>	<u>(1)</u>	<u>(176)</u>	<u>1,124</u>	<u>2,991</u>	<u>16,967</u>	<u>67,127</u>	<u>197,635</u>	<u>20</u>	<u>197,655</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – UNAUDITED**

	Three months ended 31.03.2019 RM '000	Three months ended 31.03.2018 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/ Profit before tax	(3,569)	1,102
Adjustments for:-		
Depreciation	4,528	4,111
Equity settled share-based transaction	65	769
Finance costs	932	510
Finance income	(19)	-
Dividend income	-	(24)
Property, plant and equipment	-	-
- Written off	-	-
- Loss/(gain) on disposal	40	(17)
Unrealised (gain)/ loss on foreign exchange	(1,516)	934
Operating profit before changes in working capital	461	7,385
Changes in employee benefits	(7)	(30)
Changes in inventories	2,248	1,357
Changes in trade and other receivables	2,958	13,736
Changes in trade and other payables	(5,288)	(17,068)
Changes in contract assets	203	-
Cash generated from operations	575	5,380
Tax paid	(7)	(1,020)
Other finance costs paid	(43)	-
Net cash from operating activities	525	4,360
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,508)	(11,043)
Proceeds from disposal of property, plant and equipment	25	-
Share capital contributed by minority shareholders of a subsidiary	-	-
Interest received	19	8
Dividend received	-	24
Net cash used in investing activities	(1,464)	(11,011)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Three months ended 31.03.2019 RM '000	Three months ended 31.03.2018 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	-	6,324
Repayment of term loans	(3,615)	(2,143)
Net short term borrowings	6,440	952
Proceeds from exercise of share option	20	-
Net (payment)/proceeds from the repurchase and resale of treasury shares	(21)	(32)
Dividends paid to owners of the Company	-	(310)
Interest paid	(890)	(1,183)
Net cash from financing activities	<u>1,934</u>	<u>3,608</u>
Exchange differences on translation of the financial statements of foreign operations	(2)	4
Net increase/(decrease) in cash and cash equivalents	993	(3,039)
Cash and cash equivalents at 1 January	7,055	10,492
Cash and cash equivalents at 31 March	<u><u>8,048</u></u>	<u><u>7,453</u></u>
* Cash and cash equivalents at end of the year consist of:-		
Cash and bank balances	<u>8,048</u>	<u>7,453</u>
	<u><u>8,048</u></u>	<u><u>7,453</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 2018 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 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 2018. 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 2018.

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 2020

- Amendments to MFRS 3, *Business Combinations – Definition of a Business*
- Amendments to MFRS 101, *Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

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, interpretations and amendments in the respective financial year when the above standards, interpretations and amendments become effective.

The Group and the Company do not plan to apply MFRS 17, Insurance Contracts that is effective for annual periods beginning on or after 1 January 2021 as it is not applicable to the Group and the Company.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of 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 40,000 repurchased shares are being held at treasury shares.

7 Dividend paid

The Board did not recommend any interim dividend to be paid for the current quarter.

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.



**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2019**

	Individual quarter ended		Cumulative quarter ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Local	18,483	34,057	18,483	34,057
- Overseas	15,905	18,339	15,905	18,339
	<u>34,388</u>	<u>52,396</u>	<u>34,388</u>	<u>52,396</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

	31 March 2019 RM'000	31 March 2018 RM'000
Unsecured corporate guarantees given to banks in respect of outstanding banking facilities of a subsidiary	<u>80,045</u>	<u>62,513</u>
Secured property, plant and equipment charged to banks as security for banking facilities granted to a subsidiary	<u>89,398</u>	<u>75,734</u>

13 Capital commitments

	31 March 2019 RM'000	31 March 2018 RM'000
Plant and equipment		
Contracted but not provided for	<u>1,938</u>	<u>40,981</u>
Authorised but not contracted for	<u>500</u>	<u>21,532</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 after taking into consideration the impact of adopting MFRS 15, is as follows :

Description	Q1 2019 RM '000	Q1 2018 RM '000	Change %
Revenue	34,388	52,396	(34)
Operating Profit before Foreign exchange, Interest and Tax	(4,931)	677	(828)
(Loss)/ Profit before tax	(3,569)	1,102	(423)
(Loss)/ Profit after tax	(2,878)	1,367	(310)

Quarter Review

For the 3 months period ended March 31, 2019, the Group achieved a revenue of RM34.4 million as compared to RM52.4 million for the same period last year. The reduction in revenue in this period under review is primarily due to the reduction in orders from some international and local customers and partially mitigated by increase in sale to other international and local customers.

In terms of quantity actually delivered, there was a decrease of 34 % from 3,523 metric tons in the same quarter last financial year, to 2,325 metric tons for this quarter.

The Group recorded a loss before tax of RM3.6 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 film, aluminum wire and solvent, as well as higher consumption of raw materials which was partially mitigated by reduction in operating overheads as the rationalization exercise undertaken come into effect,
- c) an increase in depreciation costs of RM0.4 million as some new equipment were delivered, installed and commenced operations in mid of 2018,
- d) the low volume of production due to continued stoppages of additional equipment being moved to the new factory as part of the ongoing rationalization process, and
- e) there was also an increase in finance expenses of RM0.4 million in this quarter compared to the same quarter last year.

The Group however was able to reduce the loss after tax to RM2.9 million arising from the recognition of tax income.



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:

	Q1 2019 RM '000	Q4 2018 RM '000	Change %
Revenue	34,388	35,999	(4)
Operating Profit before Foreign exchange, Interest and Tax	(4,931)	(8,289)	40
(Loss)/ Profit before tax	(3,569)	(8,604)	58
(Loss)/ Profit after tax	(2,878)	(4,121)	30

For the three months ended March 31, 2019, the Group achieved a revenue of RM34.4 million compared to RM36.0 million for the preceding quarter, a minor decrease of 4%. Revenue was slightly lower compared to preceding quarter as some of the customers have built up sufficient stock in the last quarter.

The loss before tax of the Group was however much lower at RM3.6 million in Q1-2019 against a loss of RM8.6 million for the preceding quarter. The loss in the previous quarter was principally due to higher material cost and plant and machinery relocation cost. In addition, there was an ESOS cost of RM0.9 million and one-off expenses of RM0.8 million of cylinder blocks provided in the preceding quarter. The Group also recognised a foreign exchange gain of RM1.1 million in this quarter as against a foreign exchange gain of RM0.6 million for the preceding quarter, as the Malaysian Ringgit strengthened against the US Dollar.

3 Prospects

As at the end of March 2019, the 6th printing line was moved and reinstalled from Tampoi plant to Senai Plant in conjunction with the Group's rationalization plan. This printing line commenced commercial operation in April 2019 after the necessary maintenance and machine realignment were carried out.

Apart from that, an additional printing line and 2 laminating lines will be moving to Senai plant during second and third quarter of FY 2019, respectively.

The focus for FY 2019 will be to enhance the business strategic plans on improving sales and marketing activities, human resources development program and improving production efficiencies, all of which are critical component of the Group's transformation program.

With all the transformation activities progressing on track, the Board is cautiously confident that the performance of the Group will improve.

4 Profit forecast

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



**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2019**

5 Tax income/ (expense)

Taxation comprises the following:

	Individual quarter ended		Cumulative quarter ended	
	31 March 2019 RM'000	31 March 2018 RM'000	31 March 2019 RM'000	31 March 2018 RM'000
The tax income/ (expense) comprises the followings:				
Tax income/ (expense)				
- Current period	-	(5)	-	(5)
- Prior year	-	-	-	-
	<u>-</u>	<u>(5)</u>	<u>-</u>	<u>(5)</u>
Deferred tax income				
- Current period	691	270	691	270
	<u>691</u>	<u>270</u>	<u>691</u>	<u>270</u>
	<u>691</u>	<u>265</u>	<u>691</u>	<u>265</u>

6 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.

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 2019 RM'000	31 March 2018 RM'000
Non-current		
Secured		
Term loans	-	35,956
	<u>-</u>	<u>35,956</u>
Current		
Secured		
Revolving credit	12,383	-
Term loans*	41,995	5,025
	<u>54,378</u>	<u>5,025</u>
Unsecured		
Trust receipts	25,667	21,532
	<u>25,667</u>	<u>21,532</u>
	<u>80,045</u>	<u>26,557</u>
	<u>80,045</u>	<u>62,513</u>

*Note: Reclassification of non-current term loans to current term loans as per previous quarter announcement.



**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2019**

8 Disclosure of derivatives

There were no financial derivatives for current quarter ended 31 March 2019.

9 Changes in material litigation

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

10 Dividend

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

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.

	Individual quarter ended		Cumulative quarter ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Adjusted Net Profit attributable to ordinary shareholders (RM'000)	(2,866)	1,365	(2,866)	1,365
Weighted average number of ordinary shares in issue ('000)	418,952	419,713	418,952	419,713
Basic earnings per ordinary share (sen)	<u>(0.68)</u>	<u>0.33</u>	<u>(0.68)</u>	<u>0.33</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, calculated as follows:

	Individual quarter ended		Cumulative quarter ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Adjusted Net Profit attributable to ordinary shareholders (RM'000)	(2,866)	1,365	(2,866)	1,365
Weighted average number of ordinary shares in issue ('000)	419,510	419,713	419,510	419,713
Diluted earnings per ordinary share (sen)	<u>(0.68)</u>	<u>0.33</u>	<u>(0.68)</u>	<u>0.33</u>



**UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED
31 MARCH 2019**

12 Related party transactions

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

13 Notes to the Statements of Comprehensive Income

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

	Individual quarter ended		Cumulative quarter ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	RM'000	RM'000	RM'000	RM'000
Dividend income	-	-	-	-
Interest expense	932	510	932	510
Depreciation	4,528	4,111	4,528	4,111
Bad debts recovered	-	-	-	-
Allowance for/ (Reversal of) slow moving inventories	(1,153)	287	(1,153)	287
Foreign exchange:				
- Realised loss/(gain)	154	1,690	154	1,690
- Unrealised loss/(gain)	(1,516)	(314)	(1,516)	(314)
Loss/(gain) on disposal of property, plant and equipment	40	(17)	40	(17)
Equity settled share based transaction (ESOS expense)	65	-	65	-