



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

	Three months ended		Nine months ended	
	30.09.2020 RM '000	30.09.2019 RM '000	30.09.2020 RM '000	30.09.2019 RM '000
<b>Revenue</b>	<u>37,009</u>	<u>38,542</u>	<u>117,445</u>	<u>113,990</u>
<b>Operating profit/ (loss)</b>	2,164	(2,889)	1,021	(8,079)
Finance income	6	11	32	43
Finance costs	(383)	(880)	(1,674)	(2,642)
ESOS expenses	-	(802)	(112)	(867)
<b>Profit/ (loss) before taxation</b>	<u>1,787</u>	<u>(4,560)</u>	<u>(733)</u>	<u>(11,545)</u>
Tax expenses	(3)	(1,429)	(9)	(8)
<b>Profit/ (loss) for the period</b>	<u>1,784</u>	<u>(5,989)</u>	<u>(742)</u>	<u>(11,553)</u>
Foreign currency translation differences for foreign operations	-	-	-	-
<b>Total comprehensive income/ (expense) for the period</b>	<u>1,784</u>	<u>(5,989)</u>	<u>(742)</u>	<u>(11,553)</u>
<b>Profit/ (loss) attributable to:</b>				
Owners of the Company	1,756	(5,999)	(770)	(11,543)
Non-controlling interests	28	10	28	(10)
<b>Profit/ (loss) for the period</b>	<u>1,784</u>	<u>(5,989)</u>	<u>(742)</u>	<u>(11,553)</u>
<b>Total comprehensive income/ (expense) attributable to:-</b>				
Owners of the Company	1,756	(5,999)	(770)	(11,543)
Non-controlling interests	28	10	28	(10)
<b>Total comprehensive income/ (expense) for the period</b>	<u>1,784</u>	<u>(5,989)</u>	<u>(742)</u>	<u>(11,553)</u>
Basic earning/ (loss) per ordinary share (sen)	<u>0.41</u>	<u>(1.43)</u>	<u>(0.18)</u>	<u>(2.76)</u>
Diluted earning/ (loss) per ordinary share (sen)	<u>0.41</u>	<u>(1.43)</u>	<u>(0.18)</u>	<u>(2.75)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2020

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 30.09.2020 RM '000	Audited As at 31.12.2019 RM '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	177,648	187,954
Right-of-use assets	3,358	3,514
Deferred tax assets	4,527	4,527
Goodwill	949	-
<b>Total non-current assets</b>	<u>186,482</u>	<u>195,995</u>
<b>Current assets</b>		
Inventories	21,879	22,179
Trade and other receivables	42,267	38,090
Contract assets	14,126	10,035
Current tax assets	-	8
Cash and cash equivalents	8,566	9,563
<b>Total current assets</b>	<u>86,838</u>	<u>79,875</u>
<b>TOTAL ASSETS</b>	<u>273,320</u>	<u>275,870</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	115,824	110,015
Reserves	70,742	71,298
Equity attributable to owners of the Company	<u>186,566</u>	<u>181,313</u>
Non-controlling interests	634	-
<b>Total equity</b>	<u>187,200</u>	<u>181,313</u>
<b>Non-current liabilities</b>		
Loans and borrowings	8,394	17,233
Lease liabilities	133	253
Employee benefits	526	554
<b>Total non-current liabilities</b>	<u>9,053</u>	<u>18,040</u>
<b>Current liabilities</b>		
Trade and other payables	21,138	19,987
Loans and borrowings	55,734	56,323
Lease liabilities	160	156
Current tax liabilities	35	-
Dividends payable	-	51
<b>Total current liabilities</b>	<u>77,067</u>	<u>76,517</u>
<b>Total liabilities</b>	<u>86,120</u>	<u>94,557</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>273,320</u>	<u>275,870</u>
Net assets per share (RM)	0.44	0.43

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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
<b>At 1 January 2020</b>	110,015	-	(1,077)	2,244	2,991	16,967	50,173	181,313	-	181,313
Acquisition of subsidiary	-	-	-	-	-	-	-	-	606	606
Loss for the period	-	-	-	-	-	-	(770)	(770)	28	(742)
<b>Loss and total comprehensive expense for the year</b>	-	-	-	-	-	-	(770)	(770)	634	(136)
<i>Contributions by and distributions to owners of the Company</i>										
Equity settled share based transactions										
- Share option granted	-	-	-	112	-	-	-	112	-	112
- Share issued pursuant to ESOS	4,572	-	-	-	-	-	-	4,572	-	4,572
- Share option exercised	1,237	-	-	(1,237)	-	-	-	-	-	-
Own shares acquired	-	-	(240)	-	-	-	-	(240)	-	(240)
Own shares sold	-	-	1,317	-	-	-	262	1,579	-	1,579
<b>Total transactions with owners of the Company</b>	5,809	-	1,077	(1,125)	-	-	262	6,023	-	6,023
Share option forfeited	-	-	-	(174)	-	-	174	-	-	-
<b>At 30 September 2020</b>	<b>115,824</b>	<b>-</b>	<b>-</b>	<b>945</b>	<b>2,991</b>	<b>16,967</b>	<b>49,839</b>	<b>186,566</b>	<b>634</b>	<b>187,200</b>



**TOMYPAK HOLDINGS BERHAD** (Company No. 199501008545 (337743-W))

**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – AUDITED**

	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 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
<b>At 1 January 2019</b>	109,883	(4)	(662)	1,790	2,991	16,967	61,387	192,352	11	192,363
Foreign currency translation differences for foreign operation	-	-	-	-	-	-	-	-	-	-
(Loss)/ profit for the period	-	-	-	-	-	-	(11,543)	(11,543)	(10)	(11,553)
<b>Loss and total comprehensive expense for the year</b>	-	-	-	-	-	-	(11,543)	(11,543)	(10)	(11,553)
<i>Contributions by and distributions to owners of the Company</i>										
Equity settled share based transactions										
-share option granted	-	-	-	867	-	-	-	867	-	867
-share issued pursuant to ESOS	20	-	-	-	-	-	-	20	-	20
-share option exercised	6	-	-	(6)	-	-	-	-	-	-
Own shares acquired	-	-	(21)	-	-	-	-	(21)	-	(21)
<b>Total transactions with owners of the Company</b>	26	-	(21)	861	-	-	-	866	-	866
Share option forfeited	-	-	-	(307)	-	-	307	-	-	-
<b>At 30 September 2019</b>	<u>109,909</u>	<u>(4)</u>	<u>(683)</u>	<u>2,344</u>	<u>2,991</u>	<u>16,967</u>	<u>50,151</u>	<u>181,675</u>	<u>1</u>	<u>181,676</u>



**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2020**

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

	<b>Nine months ended 30.09.2020 RM '000</b>	<b>Nine months ended 30.09.2019 RM '000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(733)	(11,545)
Adjustments for:-		
Depreciation on:		
- Property, plant and equipment	13,148	13,551
- Right-of-use assets	217	-
Equity settled share-based transaction	112	867
Finance costs	1,674	2,642
Finance income	(32)	(43)
Property, plant and equipment		
- Written off	-	35
- Loss on disposal	5	41
Impairment loss on trade receivables	302	-
Unrealised loss/(gain) on foreign exchange	711	(934)
Operating profit before changes in working capital	<u>15,404</u>	<u>4,614</u>
Change in employee benefits	(28)	(16)
Change in inventories	720	1,472
Change in trade and other receivables	(5,151)	3,072
Change in trade and other payables	(221)	(2,247)
Change in contract assets	(4,091)	(724)
Cash generated from operations	<u>6,633</u>	<u>6,171</u>
Tax paid	(20)	(19)
Other finance costs paid	(104)	(128)
Net cash from operating activities	<u>6,509</u>	<u>6,024</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiary	533	-
Acquisition of property, plant and equipment	(1,516)	(6,095)
Proceeds from disposal of property, plant and equipment	3	26
Interest received	32	43
Net cash used in investing activities	<u>(948)</u>	<u>(6,026)</u>



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)**

	<b>Nine months ended 30.09.2020 RM '000</b>	<b>Nine months ended 30.09.2019 RM '000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loans	(15,592)	(11,662)
Repayment of lease liabilities	(158)	-
Net short term borrowings	6,481	13,975
Proceeds from exercise of share option	4,572	20
Payment for repurchase of treasury shares	(240)	(21)
Dividends paid to owners of the Company	(51)	-
Interest paid	(1,570)	(2,515)
Net cash (used in)/from financing activities	<u>(6,558)</u>	<u>(203)</u>
Exchange difference on translation of financial statements of foreign exchange	-	-
Net decrease in cash and cash equivalents	(997)	(205)
Cash and cash equivalents at 1 January	9,563	7,055
Cash and cash equivalents at 30 September	<u>8,566</u>	<u>6,850</u>
Cash and cash equivalents at end of the year consist of:-		
Cash and bank balances	<u>8,566</u>	<u>6,850</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and International Accounting Standards (“IAS”) 34: 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 2019. 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 2019.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but not yet effective and as such have not been applied by the Group:

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

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*

***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 plan to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above standards, interpretations and amendments become effective, if applicable.

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 upon their first adoption.

**(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 except for recognition of deferred tax assets.

The deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which the unabsorbed capital allowances and unutilised reinvestment allowances can be utilised. The Directors believe that there is probable taxable profits based on the profit projections to utilise the amount of deferred tax assets recognised.

**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.

**7 Dividend paid**

The Board does 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 markets. The local market relates to sales to customers within Malaysia. The export market relates to sales to overseas customers primarily in Eastern Europe, South East Asia, South America and Africa.

	Individual quarter ended		Cumulative quarter ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Revenue				
- Local	12,060	16,699	39,576	51,252
- Overseas	<u>24,949</u>	<u>21,843</u>	<u>77,869</u>	<u>62,738</u>
	<u>37,009</u>	<u>38,542</u>	<u>117,445</u>	<u>113,990</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 except for the following:

During the current quarter, the Company completed the acquisition of 51% equity interest in SP Plastic & Packaging Sdn Bhd on 30 July 2020. Subsequent to the completion of this acquisition, SP Plastic & Packaging Sdn Bhd became a subsidiary of the Company.



## 12 Contingent liabilities

	Company	
	30 September 2020 RM'000	30 September 2019 RM'000
Secured corporate guarantees given to banks in respect of outstanding banking facilities of a subsidiary	63,651	79,958

## 13 Capital commitments

	30 September 2020 RM'000	30 September 2019 RM'000
Plant and equipment Contracted but not provided for	1,322	2,263

## 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 follows:

#### Quarter Review

For the 3 months period ended 30 September 2020, the Group achieved a revenue of RM37.0 million as compared to RM38.5 million for the same period last year. There was a decrease in sales to local customers which was partially mitigated by increase in export sales.

The Group reported a profit before tax of RM1.8 million for the quarter under review as compared to a loss of RM4.6 million in the same quarter in FY 2019. This was primarily due to improved contribution margin arising from the positive impact from the transformation program.

#### Nine Months Review

For the nine months ended 30 September 2020, the Group recorded a revenue of RM117.4 million as compared to RM114.0 million in the corresponding period in the previous financial year, an increase of RM3.4 million or 3%. The increase was primarily due to an increase in sales to international customers.

As a result of the increase in sales as well as improved contribution margin and lower overheads, the Group reported a lower loss before tax of RM0.7 million for the nine months ended 30 September 2020 compared to a loss of RM11.6 million for the same period last year.



## 2 Current quarter vs immediate preceding quarter

Revenue for the current quarter of RM37.0 million was 22% lower compared to RM47.3 million for the preceding quarter, due to deferment of delivery to both local and international customers in this quarter.

The Group reported a profit before tax of RM1.8 million for the quarter under review as compared to RM4.0 million in the preceding quarter primarily due to lower revenue recorded in this quarter.

## 3 Prospects

The Group will continue with its ongoing efforts to engage with its existing customers to secure more orders and at the same time intensify efforts to secure new local and international customers. Concurrently, the Group will continue with its transformation program to secure more positive improvement in its operations so as to increase its contribution margin and manage its overheads. The Group will also continue with efforts taken to-date to collaborate with our major customers in the development of new products.

The Board is cautiously optimistic that the performance of the Group will be positive.

## 4 Profit forecast

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

## 5 Tax (expense)/ income

Taxation comprises the following:

	Individual quarter ended		Cumulative quarter ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
The tax (expense)/ income comprises the followings:				
Tax expense				
- Current period	(3)	(2)	(9)	(10)
- Prior year	-	2	-	2
	(3)	-	(9)	(8)
Deferred tax income				
- Current period	-	(1,429)	-	-
- Prior year	-	-	-	-
	-	(1,429)	-	-
	(3)	(1,429)	(9)	(8)

## 6 Status of corporate proposal announced

There was no corporate proposal announced for the current quarter.



**UNAUDITED QUARTERLY REPORT FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2020**

**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: -

	<b>30 September 2020</b>	<b>30 September 2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>		
<i>Secured</i>		
Term loans	8,394	20,375
	8,394	20,375
<b>Current</b>		
<i>Secured</i>		
Term loans	6,964	14,128
Revolving credit	18,335	14,658
	25,299	28,786
<i>Unsecured</i>		
Trust receipts	30,435	30,797
	30,435	30,797
	55,734	59,583
	64,128	79,958

**8 Disclosure of derivatives**

There were no financial derivatives for the current quarter ended 30 September 2020.

**9 Changes in material litigation**

There was no pending material litigation 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 the weighted average number of ordinary shares in issue during the said financial period, calculated as follows:

	Individual quarter ended		Cumulative quarter ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
Adjusted Net Earning/ (loss) attributable to ordinary shareholders	1,756	(5,999)	(770)	(11,543)
Weighted average number of ordinary shares in issue ('000)	424,325	418,926	420,235	418,935
<b>Basic earning/ (loss) per ordinary share (sen)</b>	<u>0.41</u>	<u>(1.43)</u>	<u>(0.18)</u>	<u>(2.76)</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 the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Individual quarter ended		Cumulative quarter ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
Adjusted Net Earning/ (loss) attributable to ordinary shareholders	1,756	(5,999)	(770)	(11,543)
Weighted average number of ordinary shares outstanding after adjustment (‘000)	424,651	420,166	420,561	420,175
<b>Diluted earning/ (loss) per ordinary share (sen)</b>	<u>0.41</u>	<u>(1.43)</u>	<u>(0.18)</u>	<u>(2.75)</u>

## 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**

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

	<b>Individual quarter ended</b>		<b>Cumulative quarter ended</b>	
	<b>30 September 2020</b>	<b>30 September 2019</b>	<b>30 September 2020</b>	<b>30 September 2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest expense	383	880	1,674	2,642
Depreciation on:				
- Property, plant and equipment	4,393	4,512	13,148	13,551
- Right-of-use assets	138	-	217	-
Impairment loss on trade receivables	186	-	302	-
Allowance for slow moving inventories	42	(453)	69	515
Foreign exchange:				
- Realised loss/(gain)	224	432	(183)	262
- Unrealised loss/(gain)	(1,446)	101	711	(934)
Loss on disposal of property, plant and equipment	-	-	5	41
Equity settled share based transaction (ESOS expense)	-	802	112	867