

UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2020

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

	Three months ended		Twelve months ended	
	31.12.2020 RM '000	31.12.2019 RM '000	31.12.2020 RM '000	31.12.2019 RM '000
Revenue	36,840	44,071	154,285	158,061
Operating profit/ (loss)	523	486	1,544	(7,593)
Finance income	3	19	35	62
Finance costs	(276)	(771)	(1,950)	(3,413)
ESOS expenses	-	-	(112)	(867)
Profit/ (loss) before taxation	250	(266)	(483)	(11,811)
Tax expenses	(51)	(4)	(60)	(12)
Profit/ (loss) for the period	199	(270)	(543)	(11,823)
Total comprehensive income/ (expense) for the period	199	(270)	(543)	(11,823)
Profit/ (loss) attributable to:				
Owners of the Company	151	(269)	(619)	(11,812)
Non-controlling interests	48	(1)	76	(11)
Profit/ (loss) for the period	199	(270)	(543)	(11,823)
Total comprehensive income/ (expense) attributable to:-				
Owners of the Company	151	(269)	(619)	(11,812)
Non-controlling interests	48	(1)	76	(11)
Total comprehensive income/ (expense) for the period	199	(270)	(543)	(11,823)
Basic earning/ (loss) per ordinary share (sen)	0.04	(0.06)	(0.15)	(2.82)
Diluted earning/ (loss) per ordinary share (sen)	0.04	(0.06)	(0.15)	(2.81)

(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 FOURTH QUARTER ENDED
31 DECEMBER 2020**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED

	As at 31.12.2020 RM '000	Audited As at 31.12.2019 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	174,134	187,954
Right-of-use assets	3,254	3,514
Deferred tax assets	4,527	4,527
Goodwill	1,025	-
Total non-current assets	<u>182,940</u>	<u>195,995</u>
Current assets		
Inventories	20,454	22,179
Trade and other receivables	40,539	38,090
Contract assets	8,829	10,035
Current tax assets	-	8
Cash and cash equivalents	10,244	9,563
Total current assets	<u>80,066</u>	<u>79,875</u>
TOTAL ASSETS	<u>263,006</u>	<u>275,870</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	116,356	110,015
Reserves	70,780	71,298
Equity attributable to owners of the Company	187,136	181,313
Non-controlling interests	609	-
Total equity	<u>187,745</u>	<u>181,313</u>
Non-current liabilities		
Loans and borrowings	7,052	17,233
Lease liabilities	102	253
Employee benefits	548	554
Total non-current liabilities	<u>7,702</u>	<u>18,040</u>
Current liabilities		
Trade and other payables	20,764	19,987
Loans and borrowings	46,550	56,323
Lease liabilities	160	156
Current tax liabilities	85	-
Dividends payable	-	51
Total current liabilities	<u>67,559</u>	<u>76,517</u>
Total liabilities	<u>75,261</u>	<u>94,557</u>
TOTAL EQUITY AND LIABILITIES	<u>263,006</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							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	
At 1 January 2020	110,015	-	(1,077)	2,244	2,991	16,967	50,173	181,313	-	181,313
Acquisition of subsidiary	-	-	-	-	-	-	-	-	533	533
Profit for the period	-	-	-	-	-	-	(619)	(619)	76	(543)
Loss and total comprehensive expense for the year	-	-	-	-	-	-	(619)	(619)	609	(10)
<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	4,991	-	-	-	-	-	-	4,991	-	4,991
- Share option exercised	1,350	-	-	(1,350)	-	-	-	-	-	-
Own shares acquired	-	-	(240)	-	-	-	-	(240)	-	(240)
Own shares sold	-	-	1,317	-	-	-	262	1,579	-	1,579
Total transactions with owners of the Company	6,341	-	1,077	(1,238)	-	-	262	6,442	-	6,442
Share option forfeited	-	-	-	(192)	-	-	192	-	-	-
At 31 December 2020	<u>116,356</u>	<u>-</u>	<u>-</u>	<u>814</u>	<u>2,991</u>	<u>16,967</u>	<u>50,008</u>	<u>187,136</u>	<u>609</u>	<u>187,745</u>



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

**UNAUDITED QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED
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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
At 1 January 2019	109,883	(4)	(662)	1,790	2,991	16,967	61,387	192,352	11	192,363
Ceasation of subsidiary	-	4	-	-	-	-	214	218	-	218
(Loss)/ profit for the period	-	-	-	-	-	-	(11,812)	(11,812)	(11)	(11,823)
Loss and total comprehensive expense for the year	-	4	-	-	-	-	(11,598)	(11,594)	(11)	(11,605)
<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	104	-	-	-	-	-	-	104	-	104
-share option exercised	28	-	-	(28)	-	-	-	-	-	-
Own shares acquired	-	-	(416)	-	-	-	-	(416)	-	(416)
Total transactions with owners of the Company	132	-	(416)	839	-	-	-	555	-	555
Share option forfeited	-	-	-	(384)	-	-	384	-	-	-
At 31 December 2019	<u>110,015</u>	<u>-</u>	<u>(1,078)</u>	<u>2,245</u>	<u>2,991</u>	<u>16,967</u>	<u>50,173</u>	<u>181,313</u>	<u>-</u>	<u>181,313</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS – UNAUDITED

	Twelve months ended 31.12.2020 RM '000	Twelve months ended 31.12.2019 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	(483)	(11,811)
Adjustments for:-		
Depreciation on:		
- Property, plant and equipment	17,169	17,920
- Right-of-use assets	285	260
Equity settled share-based transaction	112	867
Finance costs	1,950	3,413
Finance income	(35)	(62)
Property, plant and equipment		
- Written off	-	38
- (Gain)/loss on disposal	(14)	41
(Reversal) of impairment loss on trade receivables	482	(18)
Bad debts written off on trade receivables	-	34
Unrealised loss/(gain) on foreign exchange	174	(1,693)
Written off investment in subsidiaries	-	218
Operating profit before changes in working capital	<u>19,640</u>	<u>9,207</u>
Change in employee benefits	(6)	(55)
Change in inventories	2,132	6,508
Change in trade and other receivables	(3,619)	3,637
Change in trade and other payables	(621)	(2,202)
Change in contract assets	1,206	(6,660)
Cash generated from operations	<u>18,732</u>	<u>10,435</u>
Tax paid	(25)	6,011
Other finance costs paid	(168)	(170)
Net cash from operating activities	<u>18,539</u>	<u>16,276</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary	488	-
Acquisition of property, plant and equipment	(2,043)	(5,946)
Acquisition of right-of-use assets	-	(1,120)
Proceeds from disposal of property, plant and equipment	39	26
Interest received	35	62
Net cash used in investing activities	<u>(1,481)</u>	<u>(6,978)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Twelve months ended 31.12.2020 RM '000	Twelve months ended 31.12.2019 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	-	358
Repayment of term loans	(18,443)	(15,396)
Repayment of lease liabilities	(153)	(133)
Net short term borrowings	(699)	11,936
Proceeds from exercise of share option	4,991	104
Payment for repurchase of treasury shares	(240)	(416)
Dividends paid to owners of the Company	(51)	-
Interest paid	(1,782)	(3,243)
Net cash used in financing activities	<u>(16,377)</u>	<u>(6,790)</u>
Net increase in cash and cash equivalents	681	2,508
Cash and cash equivalents at 1 January	9,563	7,055
Cash and cash equivalents at 31 December	<u><u>10,244</u></u>	<u><u>9,563</u></u>
Cash and cash equivalents at end of the year consist of:-		
Cash and bank balances	<u>10,244</u>	<u>9,563</u>
	<u><u>10,244</u></u>	<u><u>9,563</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 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.



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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	
	31 December 2020 RM'000	31 December 2019 RM'000	31 December 2020 RM'000	31 December 2019 RM'000
Revenue				
- Local	14,182	19,104	53,758	70,356
- Overseas	<u>22,658</u>	<u>24,967</u>	<u>100,527</u>	<u>87,705</u>
	<u>36,840</u>	<u>44,071</u>	<u>154,285</u>	<u>158,061</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

	Company	
	31 December 2020 RM'000	31 December 2019 RM'000
Secured corporate guarantees given to banks in respect of outstanding banking facilities of a subsidiary	28,429	73,556

13 Capital commitments

	31 December 2020	31 December 2019
	RM'000	RM'000
Plant and equipment Contracted but not provided for	736	2,095

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 31 December 2020, the Group achieved a revenue of RM36.8 million as compared to RM44.1 million for the same period last year. There was a decrease in sales due to late delivery of raw materials from overseas due to the Covid-19 pandemic.

The Group reported a profit before tax of RM0.2 million for the quarter under review as compared to a loss of RM0.3 million in the same quarter in FY 2019. This was primarily due to improved contribution margin as well as reduction in factory overheads.

Twelve Months Review

For the twelve months ended 31 December 2020, the Group recorded a revenue of RM154.3 million as compared to RM158.1 million in the corresponding period in the previous financial year, a decrease of RM3.8 million or 2%. The decrease was primarily due to late delivery of raw materials as mentioned above.



The Group recorded a loss before tax of RM0.5 million for the twelve months ended 31 December 2020 compared to a loss of RM11.8 million for the same period last year, as a result of the improved contribution margin, lower overheads as well as reduced finance costs.

2 Current quarter vs immediate preceding quarter

Revenue for the current quarter of RM36.8 million was 0.5% lower compared to RM37.0 million for the preceding quarter, due to late delivery of raw materials from overseas as mentioned above.

The Group reported a loss before tax of RM0.5 million for the quarter under review as compared to a profit before tax of RM1.8 million in the preceding quarter due to higher raw materials and logistics costs.

3 Prospects

Whilst the current COVID-19 pandemic continues to affect the general population and business locally and worldwide, the Group is working closely with customers to increase sales and strengthen sales forecast as well as with suppliers to address raw material shipment.

The Group will continue to improve the management of operating overheads. The Group will also intensify its effort to collaborate with our major customers in development of new products as well as to secure new local and international customers.

The Board is optimistic 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.



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5 Tax (expense)/ income

Taxation comprises the following:

	Individual quarter ended		Cumulative quarter ended	
	31 December 2020 RM'000	31 December 2019 RM'000	31 December 2020 RM'000	31 December 2019 RM'000
The tax (expense)/ income comprises the followings:				
Tax expense				
- Current period	(51)	(4)	(60)	(14)
- Prior year	-	-	-	2
	<u>(51)</u>	<u>(4)</u>	<u>(60)</u>	<u>(12)</u>
Deferred tax (expenses)/ income				
- Current period	-	-	-	-
- Prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(51)</u>	<u>(4)</u>	<u>(60)</u>	<u>(12)</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 December 2020 RM'000	31 December 2019 RM'000
Non-current		
Secured		
Term loans	7,052	17,233
	<u>7,052</u>	<u>17,233</u>
Current		
Secured		
Term loans	4,653	13,309
Revolving credit	15,436	14,446
	20,089	27,755
Unsecured		
Trust receipts	26,461	28,568
	26,461	28,568
	46,550	56,323
	<u>53,602</u>	<u>73,556</u>



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8 Disclosure of derivatives

There were no financial derivatives for the current quarter ended 31 December 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	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Adjusted Net Earning/ (loss) attributable to ordinary shareholders	151	(269)	(619)	(11,812)
Weighted average number of ordinary shares in issue ('000)	430,296	418,854	422,764	418,912
Basic earning/ (loss) per ordinary share (sen)	<u>0.04</u>	<u>(0.06)</u>	<u>(0.15)</u>	<u>(2.82)</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 after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	Individual quarter ended		Cumulative quarter ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Adjusted Net Earning/ (loss) attributable to ordinary shareholders	151	(269)	(619)	(11,812)
Weighted average number of ordinary shares outstanding after adjustment (‘000)	430,555	420,057	423,023	420,115
Diluted earning/ (loss) per ordinary share (sen)	<u>0.04</u>	<u>(0.06)</u>	<u>(0.15)</u>	<u>(2.81)</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):

	Individual quarter ended		Cumulative quarter ended	
	31 December 2020 RM'000	31 December 2019 RM'000	31 December 2020 RM'000	31 December 2019 RM'000
Interest expense	276	753	1,950	3,395
Depreciation on:				
- Property, plant and equipment	4,021	4,369	17,169	17,920
- Right-of-use assets	68	260	285	260
Bad debts written off/(recovered)	-	34	-	34
Impairment loss/ (reversal of impairment loss) on trade receivables	180	(18)	482	(18)
Allowance/ (reversal of allowance) for slow moving inventories	370	(296)	439	(1,186)
Foreign exchange:				
- Realised (gain)/loss	(322)	(208)	(505)	54
- Unrealised loss/(gain)	(537)	(759)	174	(1,693)
(Gain)/loss on disposal of property, plant and equipment	(19)	-	(14)	41
Equity settled share based transaction (ESOS expense)	-	-	112	867