



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED

	Three months ended		Six months ended	
	30.06.2021 RM '000	30.06.2020 RM '000	30.06.2021 RM '000	30.06.2020 RM '000
Revenue	<u>43,943</u>	<u>47,827</u>	<u>90,209</u>	<u>80,436</u>
Operating profit/(loss)	1,748	4,630	3,646	(1,143)
Finance income	4	10	6	26
Finance costs	(312)	(620)	(569)	(1,291)
ESOS expenses	(390)	-	(390)	(112)
Profit/(loss) before taxation	<u>1,050</u>	<u>4,020</u>	<u>2,693</u>	<u>(2,520)</u>
Tax expense	(4)	(2)	(4)	(6)
Profit/(loss) for the period	<u>1,046</u>	<u>4,018</u>	<u>2,689</u>	<u>(2,526)</u>
Total comprehensive income/ (expense) for the period	<u>1,046</u>	<u>4,018</u>	<u>2,689</u>	<u>(2,526)</u>
Profit/(loss) attributable to:				
Owners of the Company	786	4,018	2,335	(2,526)
Non-controlling interests	260	-	354	-
Profit/(loss) for the period	<u>1,046</u>	<u>4,018</u>	<u>2,689</u>	<u>(2,526)</u>
Total comprehensive income/ (expense) attributable to:-				
Owners of the Company	786	4,018	2,335	(2,526)
Non-controlling interests	260	-	354	-
Total comprehensive income/ (expense) for the period	<u>1,046</u>	<u>4,018</u>	<u>2,689</u>	<u>(2,526)</u>
Basic earning/(loss) per ordinary share (sen)	<u>0.18</u>	<u>0.96</u>	<u>0.54</u>	<u>(0.60)</u>
Diluted earning/(loss) per ordinary share (sen)	<u>0.18</u>	<u>0.96</u>	<u>0.54</u>	<u>(0.60)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED**

	As at 30.06.2021 RM '000	Audited As at 31.12.2020 RM '000
ASSETS		
Non-current assets		
Property, plant and equipment	166,818	173,759
Right-of-use assets	3,114	3,254
Investment properties	373	375
Deferred tax assets	4,527	4,527
Goodwill on consolidation	1,025	1,025
Total non-current assets	<u>175,857</u>	<u>182,940</u>
Current assets		
Inventories	28,025	20,454
Contract assets	26,059	8,829
Trade and other receivables	37,502	40,825
Current tax assets	11	6
Cash and cash equivalents	10,446	10,244
Total current assets	<u>102,043</u>	<u>80,358</u>
TOTAL ASSETS	<u>277,900</u>	<u>263,298</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	116,518	116,353
Reserves	73,476	70,783
Equity attributable to owners of the Company	<u>189,994</u>	<u>187,136</u>
Non-controlling interests	963	609
Total equity	<u>190,957</u>	<u>187,745</u>
Non-current liabilities		
Loans and borrowings	4,982	7,148
Lease liabilities	42	102
Employee benefits	627	548
Total non-current liabilities	<u>5,651</u>	<u>7,798</u>
Current liabilities		
Trade and other payables	21,700	21,050
Loans and borrowings	59,397	46,454
Lease liabilities	153	160
Current tax liabilities	42	91
Total current liabilities	<u>81,292</u>	<u>67,755</u>
Total liabilities	<u>86,943</u>	<u>75,553</u>
TOTAL EQUITY AND LIABILITIES	<u>277,900</u>	<u>263,298</u>
Net assets per share (RM)	0.44	0.44

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.)



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

**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2021**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

	Attributable to owners of the Company							Total	Non-controlling interests	Total equity
	Non-distributable				Distributable					
	Share capital	Translation reserve	Treasury shares	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
At 1 January 2021	116,353	-	-	814	2,991	16,967	50,011	187,136	609	187,745
Profit and total comprehensive income for the year	-	-	-	-	-	-	2,335	2,335	354	2,689
<i>Contributions by and distributions to owners of the Company</i>										
Equity settled share based transaction										
-share option granted	-	-	-	387	-	-	-	387	-	387
-share issued pursuant to ESOS	136	-	-	-	-	-	-	136	-	136
-share option exercised	29	-	-	(29)	-	-	-	-	-	-
Total transactions with owners of the Company	165	-	-	358	-	-	-	523	-	523
Share option forfeited	-	-	-	(50)	-	-	50	-	-	-
At 30 June 2021	<u>116,518</u>	<u>-</u>	<u>-</u>	<u>1,122</u>	<u>2,991</u>	<u>16,967</u>	<u>52,396</u>	<u>189,994</u>	<u>963</u>	<u>190,957</u>



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

**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2021**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – AUDITED

	Attributable to owners of the Company							Non-controlling interest	Total equity	
	Non-distributable				Distributable					
	Share capital	Translation reserve	Treasury shares	Share option reserve	Merger reserve	Warrant reserve	Retained earnings	Total		
	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
Loss and total comprehensive expense for the year	-	-	-	-	-	-	(2,526)	(2,526)	-	(1,993)
<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	130	-	-	-	-	-	-	130	-	130
-share option exercised	35	-	-	(35)	-	-	-	-	-	-
Own share acquired	-	-	(240)	-	-	-	-	(240)	-	(240)
Total transactions with owners of the Company	165	-	(240)	77	-	-	-	2	-	2
Share option forfeited	-	-	-	(130)	-	-	130	-	-	-
At 30 June 2020	<u>110,180</u>	<u>-</u>	<u>(1,317)</u>	<u>2,191</u>	<u>2,991</u>	<u>16,967</u>	<u>47,777</u>	<u>178,789</u>	<u>-</u>	<u>178,789</u>

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

	Six months ended 30.06.2021 RM '000	Six months ended 30.06.2020 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	2,693	(2,520)
Adjustments for:-		
Depreciation of:		
- Property, plant and equipment	8,301	8,755
- Right-of-use assets	140	79
Equity settled share-based transactions	390	112
Finance costs	569	1,291
Finance income	(6)	(26)
Property, plant and equipment:		
- Loss on disposal	1	5
(Reversal of impairment loss)/impairment loss on trade receivables	(6)	116
Unrealised loss on foreign exchange	1,027	2,653
Operating profit before changes in working capital	<u>13,109</u>	<u>10,465</u>
Change in employee benefits	79	(21)
Change in inventories	(7,571)	4,162
Change in trade and other receivables	1,209	(3,239)
Change in trade and other payables	561	(2,497)
Change in contract assets	(17,230)	(3,810)
Cash (used in)/generated from operations	<u>(9,843)</u>	<u>5,060</u>
Tax refunded/(paid)	33	(9)
Other finance costs paid	(67)	(42)
Net cash from operating activities	<u>(9,877)</u>	<u>5,009</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,362)	(757)
Proceeds from disposal of property, plant and equipment	1	3
Interest received	6	26
Net cash used in investing activities	<u>(1,355)</u>	<u>(728)</u>



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - UNAUDITED (continued)

	Six months ended 30.06.2021 RM '000	Six months ended 30.06.2020 RM '000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loans	(1,828)	(12,386)
Payment of lease liabilities	(67)	(76)
Net short term borrowings	13,695	8,010
Proceeds from exercise of share option	136	130
Payment for repurchase of treasury shares	-	(240)
Interest paid	(502)	(1,249)
Net cash from/(used in) financing activities	<u>11,434</u>	<u>(5,811)</u>
Net increase/(decrease) in cash and cash equivalents	202	(1,530)
Cash and cash equivalents at 1 January	10,244	9,563
Cash and cash equivalents at 30 June	<u><u>10,446</u></u>	<u><u>8,033</u></u>
Cash and cash equivalents at end of the year consist of:-		
Cash and bank balances	<u>10,446</u>	<u>8,033</u>
	<u><u>10,446</u></u>	<u><u>8,033</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 2020 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 2020. 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 2020.

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 April 2021

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

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 and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*

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.



**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2021**

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) Issuance of 182,600 new ordinary shares at an exercise price of RM0.50 per share pursuant to the exercise of share options under the Company's Employees Share Option Scheme; and
- ii) Issuance of 100 new ordinary shares at an exercise price of RM0.93 per share pursuant to the exercise of warrants; and
- iii) 136,834,314 warrants have lapsed and became null and void upon expiry on 21 June 2021. Accordingly, the Warrants have been removed from the official list of Bursa Malaysia Securities Berhad with effect from 22 June 2021.

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 June 2021	30 June 2020	30 June 2021	30 June 2020
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Local	14,559	14,021	32,792	27,516
- Overseas	29,384	33,806	57,417	52,920
	<u>43,943</u>	<u>47,827</u>	<u>90,209</u>	<u>80,436</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	
	30 June 2021	30 June 2020
	RM'000	RM'000
Secured corporate guarantees given to banks in respect of outstanding banking facilities of a subsidiary	64,379	71,239

13 Capital commitments

	30 June 2021	30 June 2020
	RM'000	RM'000
Plant and equipment Contracted but not provided for	1,433	951

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 three months period ended 30 June 2021, the Group achieved a revenue of RM43.9 million, a decrease of RM3.9 million or 8% as compared to RM47.8 million for the same period last year. The decrease in revenue in this period under review is primarily due to enforcement of Full Movement Control Order ("FMCO") phase in early June 2021 which restricted operations in this quarter.

The Group reported a profit before tax of RM1.1 million for the quarter under review as compared to RM4.0 million in the same quarter in FY 2020 as a result of lower revenue as well as lower contribution margins due to a sharp increase in raw material prices and shipping costs.

Six Months Review

For the six months period ended 30 June 2021, the Group recorded a revenue of RM90.2 million as compared to RM80.4 million in the corresponding period in the previous financial year, an increase of



RM9.8 million or 12%. The increase was primarily due to an increase in sales in the first quarter of this year to both existing and new local and international customers.

The Group reported a profit before tax of RM2.7 million for the six months ended 30 June 2021 compared to a loss of RM2.5 million for the same period last year primarily due to higher revenue.

2 Current quarter vs immediate preceding quarter

Revenue for the current quarter of RM43.9 million was 5% lower compared to RM46.3 million for the preceding quarter primarily due to the FMCO in early June 2021.

The Group reported a profit before tax of RM1.1 million for the quarter under review as compared to a profit before tax of RM1.6 million in the preceding quarter principally due to lower revenue as well as lower contribution margins arising from increase in raw materials prices and shipping costs.

3 Prospects

Given the worsening COVID-19 pandemic worldwide, many countries have tightened movement controls to curb the pandemic. Such actions have impacted global economies and have also affected production efficiencies, reliability and consistent supply of raw materials as well as port congestions, higher shipping costs and freight charges, all of which will result in higher cost of production.

The Malaysian Government had instituted more stringent Standard Operating Procedures (“SOPs”) with various phases of movement controls since early 2021 to bring the COVID-19 pandemic under control. These movement controls significantly impacted business operations with limited workforce allowed at any one time in the plant, intermittent closure of factories of customers as well as business partners and additional expenditure to contain infections.

To minimize disruptions to our operations, the Group continues to actively engage with raw material suppliers to ensure consistent supply of raw materials. The Group will also continue to focus on sales and marketing efforts, especially with existing major customers.

The Group will continue to adhere to all SOPs as well as put in place additional preventive measurements to safeguard the well-being, health and safety of our employees, business partners and their families. This is to ensure business continuity as well as being able to continue to support our valued customers and business partners.

4 Profit forecast

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



**UNAUDITED QUARTERLY REPORT FOR THE SECOND QUARTER ENDED
30 JUNE 2021**

5 Tax expense

Taxation comprises the following:

	30 June 2021 RM'000	30 June 2020 RM'000	30 June 2021 RM'000	30 June 2020 RM'000
The tax expense comprises the followings:				
Tax expense				
- Current period	(4)	(2)	(4)	(6)
- Prior year	-	-	-	-
	<u>(4)</u>	<u>(2)</u>	<u>(4)</u>	<u>(6)</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: -

	30 June 2021 RM'000	30 June 2020 RM'000
Non-current		
Secured		
Term loans	4,982	9,453
	<u>4,982</u>	<u>9,453</u>
Current		
Secured		
Term loans	4,646	9,972
Revolving credit	12,507	18,865
	17,153	28,837
Unsecured		
Trust receipts	35,150	24,754
Banker acceptances	7,094	8,195
	42,244	32,949
	<u>59,397</u>	<u>61,786</u>
	<u>64,379</u>	<u>71,239</u>

8 Disclosure of derivatives

There were no financial derivatives for the current quarter ended 30 June 2021.



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/(loss) per ordinary shares

Basic earnings/(loss) per ordinary share

The calculation of basic earnings/(loss) per ordinary share for the period under review was based on the profit/(loss) 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 June 2021	30 June 2020	30 June 2021	30 June 2020
Adjusted net profit/(loss) attributable to ordinary shareholders (RM'000)	786	4,018	2,335	(2,526)
Weighted average number of ordinary shares in issue ('000)	430,634	418,159	430,602	418,138
Basic earnings/(loss) per ordinary share (sen)	<u>0.18</u>	<u>0.96</u>	<u>0.54</u>	<u>(0.60)</u>

Diluted earnings/(loss) per ordinary share

The calculation of diluted earnings/(loss) per ordinary share for the period under review is based on profit/(loss) 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	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Adjusted net profit/(loss) attributable to ordinary shareholders (RM'000)	786	4,018	2,335	(2,526)
Weighted average number of ordinary shares outstanding after adjustment ('000)	430,634	418,159	432,612	418,138
Diluted earning/(loss) per ordinary share (sen)	<u>0.18</u>	<u>0.96</u>	<u>0.54</u>	<u>(0.60)</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	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	RM'000	RM'000	RM'000	RM'000
Interest expense	312	620	569	1,291
Depreciation of:				
- Property, plant and equipment	4,080	4,352	8,301	8,755
- Right-of-use assets	70	7	140	79
Impairment loss/(reversal of impairment loss) on trade receivables	-	-	(6)	116
Allowance/(reversal of allowance) for slow moving inventories	(22)	227	463	27
Foreign exchange:				
- Realised (gain)/loss	(331)	(212)	(762)	(407)
- Unrealised loss/(gain)	194	(496)	1,027	2,157
(Gain)/loss on disposal of property, plant and equipment	-	-	1	5
Equity settled share based transaction (ESOS expense)	390	-	390	112