



**TIEN WAH PRESS HOLDINGS BERHAD
(CO.NO. 340434-K)**

**Quarterly report on consolidated results for the six months ended 30 June 2017
The figures have not been audited.**

PART A2: SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER 30 June 2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2016 RM'000	CURRENT YEAR TO DATE 30 June 2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 June 2016 RM'000	
1	Revenue	108,466	81,173	218,857	163,559
2	(Loss)/Profit before tax	(28,484)	7,525	(23,804)	14,164
3	(Loss)/Profit for the period	(28,993)	6,642	(25,777)	12,277
4	(Loss)/Profit attributable to ordinary equity holders of the Company	(14,453)	6,119	(10,321)	11,723
5	Basic earnings per share (sen)	(9.99)	6.34	(7.13)	12.15
6	Proposed / Declared Dividend per share (sen)	2.00	4.00	2.00	4.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the Company (RM)	2.46		2.63	
	Remarks :				

PART A3: ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER 30 June 2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2016 RM'000	CURRENT YEAR TO DATE 30 June 2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30 June 2016 RM'000	
1	Gross interest income	936	281	1,926	557
2	Gross interest expense	(1,417)	(535)	(2,835)	(1,071)
	Remarks :				



TIEN WAH PRESS HOLDINGS BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2017

	2017 Current Quarter Ended 30 June (RM '000)	2016 Comparative Quarter Ended 30 June (RM '000)	2017 Cumulative Six months Ended 30 June (RM '000)	2016 Cumulative Six months Ended 30 June (RM '000)
Revenue	108,466	81,173	218,857	163,559
Cost of sales	(95,916)	(67,388)	(189,178)	(134,272)
Gross profit	12,550	13,785	29,679	29,287
Other income	4,455	2,980	5,667	4,571
Distribution expenses	(2,186)	(1,950)	(4,399)	(3,926)
Administrative expenses	(8,059)	(7,280)	(16,910)	(14,242)
Other expenses	(34,999)	(1,061)	(37,270)	(2,940)
Results from operating activities	(28,239)	6,474	(23,233)	12,750
Finance income	936	281	1,926	557
Finance costs	(1,417)	(535)	(2,835)	(1,071)
Operating (loss)/profit	(28,720)	6,220	(24,142)	12,236
Share of profit of equity-accounted associate, net of tax	-	1,439	-	2,221
Share of profit/(loss) of equity-accounted joint venture, net of tax	236	(134)	338	(293)
(Loss)/Profit before tax	(28,484)	7,525	(23,804)	14,164
Tax expense	(509)	(883)	(1,973)	(1,887)
(Loss)/Profit for the period	(28,993)	6,642	(25,777)	12,277
(Loss)/Profit for the period attributable to:				
Owners of the Company	(14,453)	6,119	(10,321)	11,723
Non-controlling interests	(14,540)	523	(15,456)	554
(Loss)/Profit for the period	(28,993)	6,642	(25,777)	12,277
Earnings per ordinary share :				
-basic (sen)	(9.99)	6.34	(7.13)	12.15

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2016)



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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2017

	2017 Current Quarter Ended 30 June (RM '000)	2016 Comparative Quarter Ended 30 June (RM '000)	2017 Cumulative Six months Ended 30 June (RM '000)	2016 Cumulative Six months Ended 30 June (RM '000)
(Loss)/Profit for the period	(28,993)	6,642	(25,777)	12,277
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(3,914)	(825)	(1,071)	(11,191)
Total comprehensive income for the period, net of tax	<u>(32,907)</u>	<u>5,817</u>	<u>(26,848)</u>	<u>1,086</u>
Total comprehensive income attributable to:				
Owners of the Company	(18,378)	5,794	(13,565)	3,803
Non-controlling interests	(14,529)	23	(13,283)	(2,717)
Total comprehensive income for the period, net of tax	<u>(32,907)</u>	<u>5,817</u>	<u>(26,848)</u>	<u>1,086</u>

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2016)



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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	As at 30 June 2017	As at 31 Dec 2016
	(RM '000)	(RM '000)
Assets		
Property, plant and equipment	279,276	262,936
Intangible assets	86,040	91,497
Investment in joint venture	7,276	5,938
Deferred tax assets	1,452	1,496
Other receivables	7,314	8,662
Total non-current assets	381,358	370,529
Trade and other receivables	173,048	155,269
Inventories	90,023	85,571
Current tax assets	490	1,178
Cash & cash equivalents	50,919	72,067
Total current assets	314,480	314,085
Total assets	695,838	684,614
Equity		
Share capital	144,743	144,743
Reserves	211,432	236,576
Total equity attributable to owners of the Company	356,175	381,319
Non-controlling interests	34,387	47,670
Total equity	390,562	428,989
Liabilities		
Deferred tax liabilities	8,067	8,524
Employee benefits	863	822
Loans and borrowings	60,326	87,209
Other payables	35,017	12,409
Total non-current liabilities	104,273	108,964
Loans and borrowings	74,183	50,952
Trade and other payables	126,247	95,513
Current tax liabilities	573	196
Total current liabilities	201,003	146,661
Total liabilities	305,276	255,625
Total equity and liabilities	695,838	684,614

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2016)



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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Attributable to Equity Holders of the Company				Total (RM '000)	Non-controlling Interest (RM '000)	Total Equity (RM '000)
	Share Capital (RM '000)	Share Premium (RM '000) (Note #)	Translation Reserve (RM '000)	Retained Earnings (RM '000)			
At 1 January 2017	144,743	11,444	35,140	189,992	381,319	47,670	428,989
Foreign currency translation differences for foreign operations	-	-	(3,244)	-	(3,244)	2,173	(1,071)
Total other comprehensive income for the period	-	-	(3,244)	-	(3,244)	2,173	(1,071)
Loss for the period	-	-	-	(10,321)	(10,321)	(15,456)	(25,777)
Total comprehensive income for the period	-	-	(3,244)	(10,321)	(13,565)	(13,283)	(26,848)
Dividend to owners of the Company	-	-	-	(11,579)	(11,579)	-	(11,579)
Total transactions with owners of the Company	-	-	-	(11,579)	(11,579)	-	(11,579)
At 30 June 2017	144,743	11,444	31,896	168,092	356,175	34,387	390,562
At 1 January 2016	96,495	12,504	30,169	145,103	284,271	62,168	346,439
Foreign currency translation differences for foreign operations	-	-	(7,920)	-	(7,920)	(3,271)	(11,191)
Total other comprehensive income for the period	-	-	(7,920)	-	(7,920)	(3,271)	(11,191)
Profit for the period	-	-	-	11,723	11,723	554	12,277
Total comprehensive income for the period	-	-	(7,920)	11,723	3,803	(2,717)	1,086
Dividend to owners of the Company	-	-	-	(13,509)	(13,509)	-	(13,509)
Dividend to non-controlling Interest	-	-	-	-	-	(3,023)	(3,023)
Total transactions with owners of the Company	-	-	-	(13,509)	(13,509)	(3,023)	(16,532)
At 30 June 2016	96,495	12,504	22,249	143,317	274,565	56,428	330,993

Note #

With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM11,444,000 may become part of the Company's share capital account. Pursuant to Section 618(3) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium account within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2016)



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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	2017 Six months ended 30 June RM '000	2016 Six months ended 30 June RM '000
Cash flows from operating activities		
(Loss)/Profit before tax	(23,804)	14,164
Adjustments for :		
- Amortisation of intangible assets	2,212	529
- Depreciation of property, plant and equipment	16,766	12,419
- Gain on disposal of property, plant and equipment	(3,478)	(6)
- Net interest expense	909	514
- Share of profit of equity-accounted associate, net of tax	-	(2,221)
- Share of (profit)/loss of equity-accounted joint venture, net of tax	(338)	293
- Employee benefits	21,487	1,331
- Impairment loss on Property, plant and machinery	11,057	-
- Other non-cash items	5,496	3,140
Operating profit before changes in working capital	30,307	30,163
-Changes in inventories	(7,817)	9,245
-Changes in trade and other receivables	(18,723)	(18,341)
-Changes in trade and other payables	34,714	6,613
Cash from operations	38,481	27,680
- Interest received	1,926	557
- Employee benefits used	(21,152)	(973)
- Income tax paid	(1,302)	(279)
Net cash from operating activities	17,953	26,985
Cash flows from investing activities		
- Acquisition of property, plant and equipment	(55,029)	(11,206)
- Proceeds from disposal of property, plant and equipment	10,032	22
- Change in pledged deposits	(4)	(3)
- Investment in joint venture	(1,000)	(5,000)
- Dividend received	-	930
Net cash used in investing activities	(46,001)	(15,257)
Cash flows from financing activities		
- Proceeds from loans and borrowings	177,641	87,233
- Repayment of loans and borrowings	(181,294)	(93,489)
- Dividends paid to owners of the Company	(11,579)	(13,509)
- Dividend paid to non-controlling interests	-	(3,023)
- Interest paid	(2,835)	(1,071)
- Advance from /(Repayment to) ultimate holding company	22,527	(5,611)
Net cash generated from /(used in) financing activities	4,460	(29,470)
Net decrease in cash & cash equivalents	(23,588)	(17,742)
Effect of exchange rate fluctuations on cash held	2,440	(4,544)
Cash & cash equivalents at 1 January	71,958	71,225
Cash & cash equivalents at 30 June	50,810	48,939

Cash & cash equivalents

Cash & cash equivalents included in the condensed consolidated statement of cash flows comprise the following:

	2017 Six months ended 30 June RM '000	2016 Six months ended 30 June RM '000
Cash and bank balances	50,013	26,363
Deposits with licensed banks	906	22,681
	50,919	49,044
Less: Deposit pledged	(109)	(105)
	50,810	48,939

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2016)



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Notes to the Interim Financial Statements for the quarter and six months ended 30 June 2017

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRSs”) 134, *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2016.

The accounting policies and methods of computation adopted by the Group in this interim financial statement are consistent with those adopted in the financial statements for the year ended 31 December 2016 except for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2017. The adoption of these standards, amendments and interpretations has no material impact to these interim financial statements. The explanatory notes attached to the Interim Financial Statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2016.

Companies Act 2016

The Companies Act 2016 (“New Act”) was enacted to replace the Companies Act 1965 with the objectives to create a legal and regulatory structure that will facilitate business and promote accountability as well as protection of corporate directors and shareholders, taking into consideration the interest of other stakeholders.

Amongst the key changes introduced in the New Act which will affect the financial statements of the Group upon the commencement of the New Act on 31 January 2017 includes:

- Removal of the authorized share capital
- Shares of the Company will cease to have par or nominal value
- The Company’s share premium account will become part of the Company’s share capital

The adoption of the New Act did not have any financial impact to the financial statements of the Group, if applicable, the effect of adoption mainly will be on disclosure to the annual report and financial statements.

A2. Significant Accounting Policies

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and Issues Committee (“IC”) Interpretations were issued but not yet effective and have not been applied by the Group:-

MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2018

- Amendments to MFRS 2, *Share-based Payment - Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts* - Applying MFRS 9, *Financial Instruments* with MFRS 4, *Insurance Contracts*
- MFRS 9, *Financial Instruments (2014)*



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- MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 140, *Investment Property - Transfer of Investment Property*

MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, *Leases*

MFRSs, Interpretations and Amendments effective for 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 initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the financial statements of the Group, except MFRS 9, MFRS 15 and MFRS 16.

The Group is in the process of assessing the financial impact that may arise from the adoption of MFRS 15, MFRS 9 and MFRS 16.

A3. Audit Report Qualification and Status of Matters Raised

The audit report of the preceding annual financial statements was not qualified.

A4. Seasonal or Cyclical Nature of Operations

The operations of the Group were not affected by seasonal or cyclical factors.

A5. Items of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial year-to-date, other than:

On 15 June 2017, the Company announced that in line with the Group's reorganization of its production footprint which is part of normal routine operational function to improve the Group's strategic positioning to service the customers and reduce operating cost over the longer term, it has decided to cease the remaining printing business ("Proposed Cessation") of its 51%-owned subsidiary, Anzpac Services (Australia) Pty Limited. In relation to the proposed cessation, the Group has recorded employees' redundancy and related expenses of RM20.0 million and asset impairment costs of RM10.9 million in the current financial year-to-date.

A6. Changes in Estimates of Amounts Reported

There were no changes in estimates of amounts reported in prior financial year that have a material effect in the current financial year-to-date.



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A7. Changes in Debt and Equity Securities

For the financial year-to-date, there were no issuances, cancellations, repurchases, resale and repayments of debt, treasury shares and equity securities.

A8. Dividends Paid

The total dividends paid out of the shareholders' equity for the ordinary shares were as follows:-

	Six months ended 30 June	
	2017	2016
	RM'000	RM'000
Final paid on 30 June 2017		
In respect of the financial year ended 31 December 2016 – single-tier dividend of 8.00 sen per share	11,579	
Final paid on 30 June 2016		
In respect of the financial year ended 31 December 2015 – single-tier dividend of 14.00 sen per share of RM1.00 each		13,509
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	11,579	13,509
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A9. Operating Segments

The Group takes the view that there is effectively only one segment as both the printing business and trading activities are inter-twined and all purchases for the trading activities are from companies within the Group.

Other non-reportable segments comprise operations related to investment holdings and property investments.

	Six months ended 30 June	
	2017	2016
	RM'000	RM'000
<i>Included in the measure of segment profit are:</i>		
Revenue from external customers	218,857	163,559
Segment (loss)/profit	(467)	30,273
Segment assets	611,077	413,305



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	Six months ended	
	30 June	
	2017	2016
	RM'000	RM'000
Reconciliation of reportable segment profit or loss		
Total (loss)/profit for reporting segments	(467)	30,273
Other non-reportable segments	16,275	14,514
Elimination of inter-segment profits	(20,063)	(19,089)
Depreciation and amortization	(18,978)	(12,948)
Finance costs	(2,835)	(1,071)
Finance income	1,926	557
Share of loss of joint venture not included in reportable segments	338	(293)
Share of profit of associate not included in reportable segments	-	2,221
Consolidated (loss)/profit before tax	(23,804)	14,164

A10. Material Events Subsequent to the End of Quarterly Period

On 20 July 2017, the Company announced that Tien Wah Press (Malaya) Sdn Bhd, a wholly owned subsidiary of the Company decided to cease its printing business in line with the Group re-organisation of its production footprint. With the impending cessation of the printing operation in Malaysia, the production volumes are in the process of being transferred to Vietnam and Indonesia to improve its strategic position to service the customer and reduce the Group's operating cost over the longer term. The Board is of the view that the re-organisation of its production footprint which involves the cessation of TWPM's printing business is therefore timely.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A12. Changes in Contingent Liabilities

There were no material changes to contingent liabilities disclosed in the last audited statement of financial position as at 31 December 2016.

A13. Capital Commitments

	Six months ended	
	30 June 2017	
	RM'000	
Property, plant and equipment		
- Authorised but not contracted for		933
- Contracted but not provided for		14,839



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A14. Related Party Transactions

For the purposes of these interim financial statements, parties are considered to be related to the Group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The following transactions have been entered into with related parties that were necessary for the day-to-day operations in the ordinary course of business and are transacted on negotiated and arm's length basis.

	Six months ended 30 June 2017 RM'000
Ultimate holding company	
- Management fees expense	1,518
- Interest expense	633
Related companies	
- Sales	(4,932)
- Purchases	1,979
- Rental of warehouse expenses	349
Joint venture company	
- Management fees received	(39)
- Interest received	(1,351)
- Sales	(7)
- Purchases	86
- Rental expenses	1,433

A15. Fair value information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The Group uses the following hierarchy in determining the fair value of all financial instruments at fair value:-

Level 1: Fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Level 3: Fair value is estimated using unobservable inputs for the financial assets and liabilities.



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As at 30 June 2017, the Group held the following financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position:-

	Level 1	Level 2	Level 3	Total fair value	Carrying amount
	RM'000	RM'000	RM'000	RM'000	RM'000
Fair value of financial instruments carried at fair value					
Financial assets					
-Other receivables	-	-	7,314	7,314	7,314
Fair value of financial instruments not carried at fair value					
Financial liabilities					
- Bank borrowings			(134,506)	(134,506)	(134,506)
- Finance lease liabilities	-	-	(3)	(3)	(3)
- Ultimate holding company	-	-	(57,452)	(57,452)	(60,472)
Total	-	-	(184,647)	(184,647)	(187,667)



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**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

B1. Review of Performance

(a) Current Quarter against Previous Year Corresponding Quarter

Revenue

Group's revenue for the second quarter ended 30 June 2017 increased by 33.6% or RM27.3 million to RM108.5 million from RM81.2 million in the preceding year corresponding quarter. This growth was attributable to the revenue consolidation of a newly acquired foreign subsidiary.

Loss / profit before tax

Second quarter ended 30 June 2017 reported loss before tax of RM28.5 million, decreased by RM36.0 million as compared to the preceding year corresponding quarter profit before tax of RM7.5 million.

The current quarter results have been impacted by the cessation of its Australia's printing operations announced on 15 June 2017, the Group has recorded a one-off redundancy expenses of RM20.3 million and an impairment loss of machinery of RM11.0 million. Excluding the aforesaid non-recurring expense, the profit before tax for the second quarter ended 30 June 2017 would have been RM2.8 million.

(b) Current Year-to-date against Previous Year-to-date

Revenue

Group's revenue for the six months ended 30 June 2017 of RM218.9 million was RM55.3 million or 33.8% higher than the previous corresponding period of RM163.6 million.

Loss / Profit before tax

As a result of the above announcement on 15 June 2017, the Group registered loss before tax for the six months ended 30 June 2017 of RM23.8 million, decreased by RM38.0 million as compared to the previous corresponding period, profit before tax of RM14.2 million. Excluding the aforesaid non-recurring expense, the profit before tax for the six months ended 30 June 2017 would have been RM7.5 million.

B2. Variation of Results against Preceding Quarter

Group's revenue for current quarter under review decreased by RM1.9 million or 1.7% to RM108.5 million from RM110.4 million.

Loss before tax was at RM28.5 million as compared to profit before tax of RM4.7 million for the preceding quarter, a decrease of RM33.2 million. As a consequence of the restructuring, a redundancy expense of RM20.3 million and an impairment loss of machinery of RM11.0 million were recognised in the second quarter 2017. Excluding the aforesaid non-recurring expense, the profit before tax for the second quarter ended 30 June 2017 would have been RM2.8 million.



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B3. Prospects

Outlook for 2017 continues to be challenging. The tobacco industry continues to face challenges from illicit trade and anti-smoking legislations. The group continues to review our current footprint, while focusing on the growth opportunities in Indonesia and Dubai. The group will also continue to identify growth opportunities in other geographical segments.

B4. Profit Forecast

None.

B5. Tax Expense

	Current quarter ended		Six months ended	
	30 June		30 June	
	2017	2016	2017	2016
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current year	907	940	2,380	1,922
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	907	940	2,380	1,922
Deferred tax				
- Origination and reversal of temporary differences	(12)	(57)	(21)	(35)
- Prior year	(386)	-	(386)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	509	883	1,973	1,887
	<hr/>	<hr/>	<hr/>	<hr/>

The Group's effective tax rate for the six months ended 30 June 2017 was higher than the Malaysian statutory tax rate of 24%, this is mainly due to unabsorbed tax losses brought forward are not available to set off against taxable profits of other subsidiaries and certain expenses which are not deductible for tax purpose.

B6. Status of corporate proposals announced

The Group does not have any corporate proposal as at the date of this announcement.



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B7. Borrowings and Debt Securities

30 June 2017			
	Secured RM'000	Unsecured RM'000	Total RM'000
Short-term borrowings			
Borrowings – Revolving Credits	-	12,438	12,438
Borrowings – Finance lease liabilities	3	-	3
Borrowings – Term loan	1,546	-	1,546
Borrowings – Trade facilities	-	60,196	60,196
Sub-totals	1,549	72,634	74,183
Long-term borrowings			
Borrowings – Revolving Credits	-	31,817	31,817
Borrowings – Term loan	28,509	-	28,509
Sub-totals	28,509	31,817	60,326
Grand total	30,058	104,451	134,509

Group's borrowings in Ringgit Malaysia equivalent analysed by currencies in which the borrowings are denominated were as follows:-

30 June 2017		
	Long- term borrowings RM'000	Short-term borrowings RM'000
Ringgit Malaysia	-	10,003
United States Dollar	60,326	64,180
Total	60,326	74,183

B8. Derivative Financial instruments

As at 30 June 2017, there were no forward foreign exchange contracts for purchases or sales.

B9. Changes in Material Litigation

As at the date of issuance of this quarterly report, the Company was not engaged in any material litigation.



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B10. Dividends

Total dividend declared and paid for the six months ended 30 June 2017 comprising:

- (a) The Company had on 30 June 2017 paid a final single-tier dividend of 8.00 sen per ordinary share totaling RM11,579,400 in respect of the financial year ended 31 December 2016.
- (b) The Directors declared an interim single-tier dividend of 2.00 sen per ordinary share in respect of the financial year ending 31 December 2017 (2016: interim single-tier dividend of 4.00 sen per share). The payment date for the interim single-tier dividend in respect of the financial year ending 31 December 2017 is on 27 October 2017. In respect of the deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 29 September 2017.

B11. Earnings per share

(a) *Basic earnings per share*

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders over the weighted average number of ordinary shares outstanding.

	Six months ended 30 June	
	2017	2016
(Loss) / Profit attributable to equity holders of the Company (RM'000)	(10,321)	11,723
Weighted average number of ordinary shares in issue ('000)	144,743	96,495
Basic earnings per share (sen)	(7.13)	12.15

(b) *Diluted earnings per share*

Not applicable for the Group.

B12. Auditor's Report on Preceding Annual Financial Statements

The auditor's report on the audited annual financial statements for the financial year ended 31 December 2016 was unqualified.



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B13. Profit for the period

	Current quarter ended 30 June 2017 RM'000	Six months ended 30 June 2017 RM'000
Profit for the period is arrived at after charging:-		
Amortisation of intangible assets	1,090	2,212
Depreciation of property, plant and equipment	8,587	16,766
Impairment loss of property, plant and equipment	11,057	11,057
Inventories written off	1,053	1,053
Employee redundancy and related costs	20,340	20,340
Net foreign exchange loss	2,358	3,505
Gain on disposal of property, plant and equipment	3,476	3,478

Other than the above, there were no allowance for doubtful debts, bad debts written off, gain or loss on disposal of quoted or unquoted securities or investments or properties, gain or loss on derivatives and exceptional items included in the results for the current quarter and financial period ended 30 June 2017.

B14. Retained Earnings

The Group's breakdown of realised and unrealised retained profits pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Securities Berhad Main Market Listing Requirements, are disclosed as follows:-

	30 June 2017 RM'000	31 December 2016 RM'000
Total retained earnings of the Company and its subsidiaries :		
Realised	147,964	278,007
Unrealised	(37,865)	(32,493)
	<hr/> 110,099	<hr/> 245,514
Total share of retained earnings of joint venture:		
Realised	(174)	(556)
Unrealised	20	65
	<hr/> (154)	<hr/> (491)
Consolidated adjustments	58,147	(55,031)
Total Group retained earnings as per consolidated interim financial statements	<hr/> 168,092	<hr/> 189,992

The determination of realised and unrealised profits is based on the Guidance on Special Matter No. 1: *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.