



**TIEN WAH PRESS HOLDINGS BERHAD**  
**Registration No.: 199501011233 (340434-K)**

Quarterly report on consolidated results for the twelve months ended 31 December 2020

The figures have not been audited.

**PART A2: SUMMARY OF KEY FINANCIAL INFORMATION**

		INDIVIDUAL QUARTER		Changes (Amount/ %)	CUMULATIVE QUARTER		Changes (Amount/ %)
		CURRENT YEAR QUARTER 31 December 2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 December 2019 RM'000		CURRENT YEAR TO DATE 31 December 2020 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 December 2019 RM'000	
1	Revenue	56,593	82,197	(31.1%)	278,949	346,255	(19.4%)
2	(Loss)/Profit before tax	(2,137)	(15,167)	(85.9%)	3,839	(14,198)	(127.0%)
3	(Loss)/Profit for the period	(1,953)	(15,507)	(87.4%)	2,842	(15,944)	(117.8%)
4	Loss attributable to ordinary equity holders of the Company	(2,453)	(14,954)	(83.6%)	(1,176)	(20,045)	(94.1%)
5	Basic loss per share (sen)	(1.69)	(10.33)	(83.6%)	(0.81)	(13.85)	(94.2%)
6	Proposed / Declared Dividend per share (sen)	5.50	5.50	(0%)	5.50	5.50	(0%)
		AS AT END OF CURRENT QUARTER			AS AT PRECEDING FINANCIAL YEAR END		
	Net assets per share attributable to ordinary equity holders of the Company (RM)	1.94			2.02		
7	Remarks :						

**PART A3: ADDITIONAL INFORMATION**

		INDIVIDUAL QUARTER		Changes (Amount/ %)	CUMULATIVE QUARTER		Changes (Amount/ %)
		CURRENT YEAR QUARTER 31 December 2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 December 2019 RM'000		CURRENT YEAR TO DATE 31 December 2020 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 December 2019 RM'000	
1	Gross interest income	28	72	(61.1%)	170	659	(74.2%)
2	Gross interest expense	(1,554)	(2,073)	(25.0%)	(7,231)	(9,409)	(23.1%)
Remarks :							



**TIEN WAH PRESS HOLDINGS BERHAD**  
Registration No.: 199501011233 (340434-K)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2020**

	2020 Current Quarter Ended 31 December (RM '000)	2019 Comparative Quarter Ended 31 December (RM '000)	Changes (Amount / %)	2020 Cumulative Twelve months Ended 31 December (RM '000)	2019 Cumulative Twelve months Ended 31 December (RM '000)	Changes (Amount / %)
Revenue	56,593	82,197	(31.1%)	278,949	346,255	(19.4%)
Cost of sales	(50,041)	(77,465)	(35.4%)	(246,498)	(318,469)	(22.6%)
<b>Gross profit</b>	<b>6,552</b>	<b>4,732</b>	<b>38.5%</b>	<b>32,451</b>	<b>27,786</b>	<b>16.8%</b>
Other income	1,213	377	221.8%	17,041	17,433	(2.2%)
Distribution expenses	(913)	(924)	(1.2%)	(3,535)	(5,983)	(40.9%)
Administrative expenses	(5,198)	(7,614)	(31.7%)	(26,296)	(29,863)	(11.9%)
Other expenses	(1,848)	(9,386)	(80.3%)	(7,643)	(13,566)	(43.7%)
<b>Results from operating activities</b>	<b>(194)</b>	<b>(12,815)</b>	<b>(98.5%)</b>	<b>12,018</b>	<b>(4,193)</b>	<b>(386.6%)</b>
Finance income	28	72	(61.1%)	170	659	(74.2%)
Finance costs	(1,554)	(2,073)	(25.0%)	(7,231)	(9,409)	(23.1%)
<b>Operating (loss)/profit</b>	<b>(1,720)</b>	<b>(14,816)</b>	<b>(88.4%)</b>	<b>4,957</b>	<b>(12,943)</b>	<b>(138.3%)</b>
Share of loss of equity-accounted joint venture, net of tax	(417)	(351)	18.8%	(1,118)	(1,255)	(10.9%)
<b>(Loss)/Profit before tax</b>	<b>(2,137)</b>	<b>(15,167)</b>	<b>(85.9%)</b>	<b>3,839</b>	<b>(14,198)</b>	<b>(127.0%)</b>
Tax expense	184	(340)	(154.1%)	(997)	(1,746)	(42.9%)
<b>(Loss)/Profit for the period</b>	<b>(1,953)</b>	<b>(15,507)</b>	<b>(87.4%)</b>	<b>2,842</b>	<b>(15,944)</b>	<b>(117.8%)</b>
<b>(Loss)/Profit for the period attributable to:</b>						
Owners of the Company	(2,453)	(14,954)	(83.6%)	(1,176)	(20,045)	(94.1%)
Non-controlling interests	500	(553)	(190.4%)	4,018	4,101	(2.0%)
<b>(Loss)/Profit for the period</b>	<b>(1,953)</b>	<b>(15,507)</b>	<b>(87.4%)</b>	<b>2,842</b>	<b>(15,944)</b>	<b>(117.8%)</b>
<b>Loss per ordinary share :</b>						
-basic (sen)	<u>(1.69)</u>	<u>(10.33)</u>		<u>(0.81)</u>	<u>(13.85)</u>	

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2019)



**TIEN WAH PRESS HOLDINGS BERHAD**  
**Registration No.: 199501011233 (340434-K)**

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2020**

	2020 Current Quarter Ended 31 December (RM '000)	2019 Comparative Quarter Ended 31 December (RM '000)	2020 Cumulative Twelve months Ended 31 December (RM '000)	2019 Cumulative Twelve months Ended 31 December (RM '000)
<b>(Loss)/Profit for the period</b>	(1,953)	(15,507)	2,842	(15,944)
<b>Other comprehensive (loss)/income, net of tax Items that will not be reclassified subsequently to profit or loss</b>				
Remeasurements of employee benefits obligation	547	-	547	-
<b>Items that are or may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations	(4,933)	(2,274)	(2,805)	(1,983)
<b>Total comprehensive loss/(income) for the period, net of tax</b>	<u>(6,339)</u>	<u>(17,781)</u>	<u>584</u>	<u>(17,927)</u>
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the Company	(6,908)	(18,069)	(3,089)	(21,982)
Non-controlling interests	569	288	3,673	4,055
<b>Total comprehensive (loss)/income for the period, net of tax</b>	<u>(6,339)</u>	<u>(17,781)</u>	<u>584</u>	<u>(17,927)</u>

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2019)



**TIEN WAH PRESS HOLDINGS BERHAD**  
Registration No.: 199501011233 (340434-K)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	As at 31 December 2020 (RM '000)	As at 31 December 2019 (RM '000)
<b>Assets</b>		
Property, plant and equipment	207,375	238,599
Right-of-use assets	14,820	17,386
Investment properties	360	368
Intangible assets	73,234	72,412
Investment in joint ventures	33,136	34,292
Deferred tax assets	1,989	1,694
Trade and other receivables	1,220	4,208
<b>Total non-current assets</b>	<b>332,134</b>	<b>368,959</b>
Trade and other receivables	68,381	91,382
Inventories	51,827	81,434
Contract assets	8,215	8,684
Current tax assets	218	1,668
Cash and bank balances	26,514	35,604
<b>Total current assets</b>	<b>155,155</b>	<b>218,772</b>
<b>Total assets</b>	<b>487,289</b>	<b>587,731</b>
<b>Equity</b>		
Share capital	156,187	156,187
Reserves	125,151	136,201
<b>Total equity attributable to owners of the Company</b>	<b>281,338</b>	<b>292,388</b>
<b>Non-controlling interests</b>	<b>44,260</b>	<b>43,778</b>
<b>Total equity</b>	<b>325,598</b>	<b>336,166</b>
<b>Liabilities</b>		
Deferred tax liabilities	3,329	2,797
Employee benefits	2,112	1,907
Loans and borrowings	18,405	47,352
Lease liabilities	13,025	15,743
Provision for liabilities	251	-
Trade and other payables	34,241	33,331
Contract liabilities	-	1,839
<b>Total non-current liabilities</b>	<b>71,363</b>	<b>102,969</b>
Loans and borrowings	28,513	59,558
Lease liabilities	2,906	2,427
Trade and other payables	58,398	84,042
Contract liabilities	-	2,248
Current tax liabilities	511	321
<b>Total current liabilities</b>	<b>90,328</b>	<b>148,596</b>
<b>Total liabilities</b>	<b>161,691</b>	<b>251,565</b>
<b>Total equity and liabilities</b>	<b>487,289</b>	<b>587,731</b>

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2019)



**TIEN WAH PRESS HOLDINGS BERHAD**

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**INTERIM FINANCIAL STATEMENTS  
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2020**

	Attributable to Equity Holders of the Company				Total (RM '000)	Non-controlling Interest (RM '000)	Total Equity (RM '000)
	Share Capital (RM '000)	Translation Reserve (RM '000)	Other Reserve (RM '000)	Retained Earnings (RM '000)			
At 1 January 2020	156,187	22,547	-	113,654	292,388	43,778	336,166
Remeasurements of employee benefits obligation	-	-	279	-	279	268	547
Foreign currency translation differences for foreign operations	-	(2,192)	-	-	(2,192)	(613)	(2,805)
Total other comprehensive (loss)/income for the period	-	(2,192)	279	-	(1,913)	(345)	(2,258)
(Loss)/Profit for the period	-	-	-	(1,176)	(1,176)	4,018	2,842
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>(2,192)</b>	<b>279</b>	<b>(1,176)</b>	<b>(3,089)</b>	<b>3,673</b>	<b>584</b>
Dividend to owners of the Company	-	-	-	(7,961)	(7,961)	-	(7,961)
Dividend to non-controlling interest	-	-	-	-	-	(3,191)	(3,191)
<b>Total transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,961)</b>	<b>(7,961)</b>	<b>(3,191)</b>	<b>(11,152)</b>
At 31 December 2020	156,187	20,355	279	104,517	281,338	44,260	325,598
At 1 January 2019	156,187	24,484	-	145,278	325,949	41,259	367,208
Foreign currency translation differences for foreign operations	-	(1,937)	-	-	(1,937)	(46)	(1,983)
Total other comprehensive loss for the period	-	(1,937)	-	-	(1,937)	(46)	(1,983)
(Loss)/Profit for the period	-	-	-	(20,045)	(20,045)	4,101	(15,944)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>(1,937)</b>	<b>-</b>	<b>(20,045)</b>	<b>(21,982)</b>	<b>4,055</b>	<b>(17,927)</b>
Dividend to owners of the Company	-	-	-	(11,579)	(11,579)	-	(11,579)
Dividend to non-controlling interest	-	-	-	-	-	(1,536)	(1,536)
<b>Total transactions with owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,579)</b>	<b>(11,579)</b>	<b>(1,536)</b>	<b>(13,115)</b>
At 31 December 2019	156,187	22,547	-	113,654	292,388	43,778	336,166

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2019)



**TIEN WAH PRESS HOLDINGS BERHAD**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2020**

	2020 Twelve months ended 31 December RM '000	2019 Twelve months ended 31 December RM '000
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	3,839	(14,198)
Adjustments for :		
- Amortisation of intangible assets	2,502	3,959
- Depreciation of property, plant and equipment and right-of-use assets	42,819	48,547
- Gain on disposal of property, plant and equipment	(244)	(34)
- Gain on modification/termination of MFRS16 lease:	(35)	-
-(Reversal of)/Impairment loss on property, plant and equipment	(353)	9,160
- Allowance for impairment loss on inventories	540	1,420
- Finance costs	5,939	8,067
- Interest expense on lease liabilities	1,292	1,342
- Finance income	(170)	(659)
- Share of loss of equity-accounted joint venture, net of tax	1,118	1,255
- Employee benefits	2,084	937
- Reversal of impairment on receivables	-	(209)
- Other non-cash items	3,138	(106)
Operating profit before changes in working capita	62,469	59,481
-Changes in inventories	28,324	11,796
-Changes in trade and other receivables	25,548	(610)
-Changes in trade and other payables	(28,162)	4,180
<b>Cash generated from operations</b>	88,179	74,847
- Interest received	170	659
- Interest paid on lease liabilities	(7)	(10)
- Employee benefits used	(1,659)	(406)
- Income tax refunded/(paid)	766	(1,693)
<b>Net cash from operating activities</b>	87,449	73,397
<b>Cash flows from investing activities</b>		
- Acquisition of property, plant and equipment	(10,434)	(32,455)
- Investment in joint venture	-	(1,000)
- Proceeds from disposal of property, plant and equipment	322	39
- Change in pledged deposits	-	115
<b>Net cash used in investing activities</b>	(10,112)	(33,301)
<b>Cash flows from financing activities</b>		
- Proceeds from loans and borrowings	89,576	143,613
- Dividend paid to owners of the Company	(7,961)	(11,579)
- Dividend paid to non-controlling interest	(3,191)	(1,536)
- Interest paid	(5,835)	(8,067)
- Repayment of lease liabilities	(3,939)	(3,103)
- Repayment of loans and borrowings	(147,959)	(174,427)
-(Repayment to)/advance from ultimate holding company	(3,323)	3,427
<b>Net cash used in financing activities</b>	(82,632)	(51,672)
Net decrease in cash & cash equivalents	(5,295)	(11,576)
Effect of exchange rate fluctuations on cash held	(3,795)	(1,685)
Cash & cash equivalents at 1 January	35,604	48,865
<b>Cash &amp; cash equivalents at 31 December</b>	26,514	35,604

**Cash & cash equivalents**

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

	As at 31 December 2020 RM '000	As at 31 December 2019 RM '000
Cash and bank balances	22,505	32,580
Deposits with licensed banks	4,009	3,024
	26,514	35,604

(The Interim Financial Statements should be read in conjunction with notes to the audited financial statements for the year ended 31 December 2019)



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## **Notes to the Interim Financial Statements for the quarter and twelve months ended 31 December 2020**

### **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 audited financial statements of the Group for the year ended 31 December 2019.

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 2019 except for those standards, amendments and interpretations which are effective from the annual period beginning on or after 1 January 2020 and the newly-issued MFRS:

#### ***MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 June 2020***

- Amendments to MFRS 16 *Leases, Covid-19 - Related Rent Concessions*

The initial application of these standards, amendments and interpretations do not have any material impact to the financial statements of the Group.

#### **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 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 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 116, *Property, Plant and Equipment - 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*



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***MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance contracts*
- Amendments to 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 initial application of the accounting standards, amendments or interpretations is not expected to have any material financial impact to the financial statements of the Group.

**A3. Seasonal or Cyclical Nature of Operations**

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

**A4. Items of Unusual Nature**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial year.

**A5. 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.

**A6. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt, treasury shares and equity securities for the current financial year.

**A7. Dividends Paid**

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

	Twelve months ended 31 December	
	2020 RM'000	2019 RM'000
Final Dividend paid on 28 August 2020 In respect of the financial year ended 31 December 2019 – single-tier dividend of 5.50 sen per share	7,961	
Final Dividend paid on 1 July 2019 In respect of the financial year ended 31 December 2018 – single-tier dividend of 8.00 sen per share		11,579
	<hr/> 7,961	<hr/> 11,579





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#### A8. 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.

	<b>Twelve months ended 31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<i>Included in the measure of segment profit are:</i>		
Revenue from external customers	278,949	346,255
Segment profit	59,292	50,322
Segment assets	409,108	459,636
Segment liabilities	(340,350)	(396,093)

	<b>Twelve months ended 31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Reconciliation of reportable segment profit or loss</b>		
Total profit for reporting segments	59,292	50,322
Other non-reportable segments	14,001	(34,613)
Elimination of inter-segment profits	(15,954)	32,604
Depreciation and amortization	(45,321)	(52,506)
Finance costs	(7,231)	(9,409)
Finance income	170	659
Share of loss of joint venture not included in reportable segments	(1,118)	(1,255)
Consolidated profit/(loss) before tax	<u>3,839</u>	<u>(14,198)</u>

#### A9. Material Events Subsequent to the End of Quarterly Period

There were no material events not reflected in the interim financial statements subsequent to the balance sheet date.

#### A10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial year including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and



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discontinuing operations.

#### **A11. Changes in Contingent Liabilities**

There were no material changes to contingent liabilities disclosed in the last audited financial statements as at 31 December 2019.

#### **A12. Capital Commitments**

	<b>As at 31 December 2020 RM'000</b>
Property, plant and equipment	
- Contracted but not provided for	914

#### **A13. 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.

	<b>Twelve months ended 31 December 2020 RM'000</b>
Ultimate holding corporation	
- Management fees expense	3,032
- Interest expense	957
Related companies	
- Sales	(2,516)
- Purchases	11,313
- Rental of warehouse expenses	57
- Sales of scrap paper	(3,405)
- Commission received	(92)
Joint venture companies	
- Sales	(492)
- Purchases	724
- Interest received	(26)
- Administrative fees	(101)
- Rental expenses	303



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#### A14. 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.

As at 31 December 2020, 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:-

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total fair value</b>	<b>Carrying amount</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Fair value of financial instruments not carried at fair value</b>					
Financial assets					
- Other receivables			7,022	7,022	7,022
Financial liabilities					
- Bank borrowings	-	-	(46,918)	(46,918)	(46,918)
- Lease liabilities			(14,758)	(14,758)	(15,931)
- Ultimate holding corporation	-	-	(33,304)	(33,304)	(34,454)
Total	-	-	(87,958)	(87,958)	(90,281)



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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

The Group's revenue for the fourth quarter ended 31 December 2020 ("4Q20") of RM56.6 million was 31.1% lower (RM25.6 million) compared to the corresponding quarter in the previous year ("4Q19") of RM82.2 million. The current quarter revenue were affected by a lower demand in cigarette related packaging products caused by the Coronavirus (COVID-19) pandemic.

Loss before tax

Management has implemented effective operational controls to combat the impact of COVID-19. The Group achieved a loss before tax in 4Q20 of RM2.1 million which was improvement of RM13.1 million compared to the loss before tax in 4Q19 of RM15.2 million. The performance of 4Q2019 was largely impacted by a RM9.2 million accounting provision for impairment loss of property, plant & equipment of the Dubai operation. Even adjusting for this accounting provision, the loss before tax in 4Q20 was better than 4Q19.

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

Revenue

The Group's revenue for the twelve months ended 31 December 2020 of RM278.9 million was RM67.4 million or 19.4% lower than the previous corresponding period of RM346.3 million due mainly to the COVID-19 pandemic.

Profit/(Loss) before tax

Despite the impact of the COVID-19 pandemic on the business, the Group has worked against this unprecedented adversity and has achieved a Group profit before tax of RM3.8 million for the year 2020 compared to an adjusted loss before tax of RM5.0 million in the year after removing the accounting impairment of Dubai's property, plant and machinery. This represent an improvement of RM8.8 million as the fall in revenue was more than offset by the efficiencies in operations. The gross profit margin increased from 8.0% to 11.6%.

**B2. Variation of Results against Preceding Quarter**

Revenue

The Group's revenue for the 4Q20 decrease by 12.8% (RM8.3 million) to RM56.6 million from RM64.9 million in the preceding quarter ("3Q20") due to our major customer adjusting their year end stock level.

Loss before tax

Loss before tax increased by RM1.5 million to a loss before tax of RM2.1 million in 4Q20 from a loss before tax of RM0.6 million in 3Q20 due to the lower sales and provision for obsolescence stock and toolings.

**B3. Prospects**

The adverse effects of the COVID-19 pandemic on the business are expected to continue in 2021. The Board is confident that the implementation of strategies and cost saving measures to combat the downturn has been successful and will enable the company to perform better in 2021.



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**B4. Profit Forecast**

None.

**B5. Tax Expense**

	Current quarter ended 31 December		Twelve months ended 31 December	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Income tax expense				
- Current year	401	749	1,077	1,843
- Prior year	(195)	291	(195)	764
	206	1,040	882	2,607
Deferred tax				
- Origination and reversal of temporary differences	(390)	(431)	115	(76)
- Prior year	-	(269)	-	(785)
	(184)	340	997	1,746

The Group's effective tax rate for the twelve months ended 31 December 2020 was higher than the Malaysian statutory tax rate of 24%, due to effects of certain expenses not being allowable as deduction for tax purposes.

**B6. Status of corporate proposals announced**

Except as disclosed below, there were no other corporate proposals announced but not completed as at to-date:-

On 20 March 2018, the Company had announced that the Parties (the Company, Dong Nai Food Industrial Corporation ("DOFICO") and Toyo (Viet) - DOFICO Print Packaging Co. Ltd. ("TVDP") are collectively referred to as "the Parties") entered into a termination agreement ("Termination Agreement") to mutually agreed to terminate the strategic joint venture agreement ("JVA") dated 24 May 2015. DOFICO shall transfer the 50% of the total charter capital of TVDP ("Capital Contribution") and all rights and interests thereof to TWPH and TWPH agreed to acquire the 50% of the total charter capital of TVDP from DOFICO at the cash consideration of USD1,629,762 (equivalent to RM6,372,369 based on exchange rate of USD1.00 to RM3.91 as at 20 March 2018) ("Termination and Acquisition of Capital Contribution").

The completion of the termination of Joint Venture agreement with DOFICO and acquisition of the remaining 50% shares held by DOFICO in TVDP is pending the issuance of an amended investment certificate by the State Authority of Vietnam.



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**B7. Borrowings and Debt Securities**

	<b>As at 31 December 2020</b>		
	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short-term borrowings</b>			
Borrowings – Lease liabilities	-	2,906	2,906
Borrowings – Revolving Credits	-	9,332	9,332
Borrowings – Term loan	9,569	1,763	11,332
Borrowings – Trade facilities	-	7,849	7,849
Sub-totals	9,569	21,850	31,419
<b>As at 31 December 2020</b>			
	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Long-term borrowings</b>			
Borrowings – Lease liabilities	-	13,025	13,025
Borrowings – Revolving Credits	-	2,016	2,016
Borrowings – Term loan	12,828	3,561	16,389
Sub-totals	12,828	18,602	31,430
Grand total	22,397	40,452	62,849

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

	<b>As at 31 December 2020</b>		
	<b>Long- term borrowings RM'000</b>	<b>Short-term borrowings RM'000</b>	
Ringgit Malaysia	187	242	
United States Dollar	11,703	12,805	Equivalent to USD6.1 million
Indonesian Rupiah	10,241	15,590	Equivalent to IDR89.3 billion
Vietnamese Dong	4,282	2,623	Equivalent to VND39.5 billion
United Arab Emirates Dirham	5,017	159	Equivalent to AED4.7 million
Total	31,430	31,419	



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#### **B8. Derivative Financial instruments**

As at 31 December 2020, 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.

#### **B10. Dividends**

Total dividend declared and paid for the twelve months ended 31 December 2020 comprising:

- (a) The Directors have recommended the payment of a final single-tier dividend of 5.5 sen per ordinary share in respect of the financial year ended 31 December 2020. The proposed final dividend will be subject to the shareholders' approval at the forthcoming Annual General Meeting.

The entitlement and payment dates for the final single-tier dividend in respect thereof will be announced at a later date.

- (b) The Company had on 28 August 2020 paid a final single-tier dividend of 5.50 sen per ordinary share totaling RM7,960,837 in respect of the financial year ended 31 December 2019.

#### **B11. Earnings per share**

##### *(a) Basic loss per share*

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

	<b>Twelve months ended 31 December</b>	
	<b>2020</b>	<b>2019</b>
Loss attributable to equity holders of the Company (RM'000)	(1,176)	(20,045)
Weighted average number of ordinary shares in issue ('000)	144,743	144,743
Basic loss per share (sen)	(0.81)	(13.85)

##### *(b) Diluted earnings per share*

Not applicable for the Group.



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**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 2019 was unqualified.

**B13. Profit for the period**

	<b>Current quarter ended 31 December 2020 RM'000</b>	<b>Twelve months ended 31 December 2020 RM'000</b>
Profit for the period is arrived at after charging/(crediting):-		
Amortisation of intangible assets	609	2,502
Depreciation of property, plant and equipment and right-of-use assets	10,526	42,819
Reversal of impairment loss on property, plant and equipment	353	353
Allowance for impairment loss on inventories	719	518
(Reversal of Inventories written-off)/ Inventories written-off	(23)	22
Net foreign exchange loss	1,049	4,557
Loss/(Gain) on disposal of property, plant and equipment	11	(244)
Gain on modification/termination of MFRS16 leases	-	(35)
Property, plant and equipment written off	2	2

Save as disclosed above, the other items as required under paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Securities are not applicable for the current quarter and financial period ended 31 December 2020.