

**BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**  
**BURSA SECURITIES QUARTERLY REPORT - QUARTER 4**

SUMMARY OF KEY FINANCIAL INFORMATION	31 AUGUST 2020			
	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/08/2020 RM'000	31/08/2019 RM'000	31/08/2020 RM'000	31/08/2019 RM'000
1 Revenue	13,908	14,380	50,804	67,891
2 (Loss)/profit before tax	(1,465)	3,387	(1,537)	2,769
3 (Loss)/profit for the period	(1,165)	2,555	(1,242)	1,933
4 (Loss)/profit attributable to owners of the Company	(1,165)	2,557	(1,238)	1,935
5 Basic (loss)/earnings per share (Sen)	(0.57)	1.25	(0.60)	0.94
6 Proposed/Declared dividend per share (Sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to owners of the Company (RM)	0.57		0.57	

ADDITIONAL INFORMATION				
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/08/2020 RM'000	31/08/2019 RM'000	31/08/2020 RM'000	31/08/2019 RM'000
1 (Loss)/profit from operations	(1,735)	3,034	(2,864)	1,397
2 Gross interest income	270	362	1,327	1,378
3 Gross interest expense	-	(9)	-	(6)

**BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**  
 (Incorporated in Malaysia)

**QUARTERLY REPORT**

ON THE CONSOLIDATED RESULTS FOR THE FOURTH QUARTER END 31 AUGUST 2020

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	INDIVIDUAL QUARTER		CHANGES (%)	CUMULATIVE QUARTER		CHANGES (%)
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER		CURRENT YEAR TO-DATE	PRECEDING YEAR CORRESPONDING PERIOD	
	31/08/2020 RM'000	31/08/2019 RM'000		31/08/2020 RM'000	31/08/2019 RM'000	
				<b>(Unaudited)</b>	<b>(Audited)</b>	
Revenue	13,908	14,380	-3%	50,804	67,891	-25%
Cost of sales	(13,026)	(10,493)	24%	(48,331)	(62,638)	-23%
Gross profit	882	3,887	-77%	2,473	5,253	-53%
Other income	(482)	(477)	1%	341	283	20%
Operating expenses	(2,135)	(376)	468%	(5,678)	(4,139)	37%
(Loss)/profit from operations	(1,735)	3,034	-157%	(2,864)	1,397	-305%
Interest income	270	362	-25%	1,327	1,378	-4%
Finance costs	-	(9)	-100%	-	(6)	-100%
<b>(Loss)/profit before tax</b>	<b>(1,465)</b>	<b>3,387</b>	<b>-143%</b>	<b>(1,537)</b>	<b>2,769</b>	<b>-156%</b>
Income tax expense	300	(832)	-136%	295	(836)	-135%
<b>Total comprehensive (loss)/profit for the financial period</b>	<b>(1,165)</b>	<b>2,555</b>	<b>-146%</b>	<b>(1,242)</b>	<b>1,933</b>	<b>-164%</b>
<b>Total comprehensive (loss)/profit attributed to:</b>						
Owners of the Company	(1,165)	2,557	-146%	(1,238)	1,935	-164%
Non-controlling interest	-	(2)	(1)	(4)	(2)	1
	<b>(1,165)</b>	<b>2,555</b>	<b>-146%</b>	<b>(1,242)</b>	<b>1,933</b>	<b>-164%</b>
<b>(Loss)/Earnings per share attributed to owners of the Company:</b>						
Basic (Sen)	(0.57)	1.25		(0.60)	0.94	
Diluted (Sen)	(0.57)	1.25		(0.60)	0.94	

The above condensed consolidated statements of profit or loss should be read in conjunction with the audited financial statements for the year ended 31 August 2019 and the accompanying explanatory notes attached to these interim financial statements.

**BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT 31/08/2020 RM'000 (Unaudited)</b>	<b>AS AT 31/8/2019 RM'000 (Audited)</b>
<b>Assets</b>		
Property, plant and equipment	55,384	58,992
Right of use assets	907	-
<b>Non-current asset</b>	<b>56,291</b>	<b>58,992</b>
Inventories	11,472	11,768
Trade and other Receivables	15,909	13,916
Cash and bank balances	50,790	44,520
<b>Current assets</b>	<b>78,171</b>	<b>70,204</b>
<b>Total assets</b>	<b>134,462</b>	<b>129,196</b>
<b>Equity and liabilities</b>		
Share capital	97,717	97,717
Treasury share	(1)	(1)
Warrant reserves	-	30,496
Retained earnings	18,793	20,031
Equity attributable to owners of the Company	116,509	117,747
Non-controlling interest	(2)	(2)
<b>Total equity</b>	<b>116,507</b>	<b>117,745</b>
Deferred tax liabilities	2,941	2,973
Finance lease liabilities	32	65
<b>Non-current liabilities</b>	<b>2,973</b>	<b>3,038</b>
Trade and other payables	14,042	8,381
Lease liabilities	907	-
Finance lease liabilities	33	32
<b>Current liabilities</b>	<b>14,982</b>	<b>8,413</b>
<b>Total liabilities</b>	<b>17,955</b>	<b>11,451</b>
<b>Total equity and liabilities</b>	<b>134,462</b>	<b>129,196</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>0.57</b>	<b>0.57</b>

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 August 2019 and the accompanying explanatory notes attached to these interim financial statements.



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**BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Year Ended	
	31/08/2020	31/08/2019
	RM'000	RM'000
	(Unaudited)	(Audited)
<b>Cash flow from operating activities</b>		
(Loss)/profit before tax	(1,236)	1,907
Adjustments for:		
Depreciation of property, plant and equipment	3,609	3,632
Unrealised loss/(gain) on foreign exchange	660	(106)
Right of use assets	(907)	-
Lease liabilities	907	-
Finance costs	-	58
Finance income	(270)	(1,326)
<b>Operating profit before working capital changes</b>	<b>2,763</b>	<b>4,165</b>
Decrease/(Increase) in inventories	296	(102)
(Increase)/Decrease in receivables	(2,685)	1,104
(Decrease)/increase in payables	5,661	(693)
<b>Cash generated from operations</b>	<b>6,035</b>	<b>4,474</b>
Interest received	270	1,326
Interest paid	-	(58)
Tax paid	(2)	(7)
<b>Net cash from operating activities</b>	<b>6,303</b>	<b>5,736</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(1)	(707)
<b>Net cash used in investing activities</b>	<b>(1)</b>	<b>(707)</b>
<b>Cash flow from financing activities</b>		
Payment of finance lease liabilities	(32)	(30)
<b>Net cash used in financing activities</b>	<b>(32)</b>	<b>(30)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,270</b>	<b>4,999</b>
Cash and cash equivalents at beginning of year	44,520	39,521
<b>Cash and cash equivalents at end of year</b>	<b>50,790</b>	<b>44,520</b>
Cash and cash equivalents at end of year comprises:		
Cash and bank balances	50,790	44,520
	<u>50,790</u>	<u>44,520</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 August 2019 and the accompanying explanatory notes attached to these interim financial statements

**BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the Company →						
	← Non-distributable →			Distributable	Non-	Total equity	
	Share capital	Treasury Share	Warrant reserve	Other reserve	Retained earnings	controlling interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 September 2019	97,717	(1)	-	-	20,031	(2)	117,745
Total comprehensive loss for the period	-	-	-	-	(1,238)	-	(1,238)
<b>At 31 AUGUST 2020</b>	<b>97,717</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>18,793</b>	<b>(2)</b>	<b>116,507</b>
At 1 September 2018	97,717	(1)	30,496	(30,496)	18,096	-	115,812
Total comprehensive profit for the period	-	-	-	-	1,935	(2)	1,933
Warrant 2014/2019 expired	-	-	(30,496)	30,496	-	-	-
<b>At 31 AUGUST 2019</b>	<b>97,717</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>20,031</b>	<b>(2)</b>	<b>117,745</b>

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 August 2019 and the accompanying explanatory notes attached to these interim financial statements.

**BRIGHT PACKAGING INDUSTRY BERHAD**  
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**FOR THE FOURTH QUARTER ENDED 31 AUGUST 2020**

**1. NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**1.01 Basis of Preparation**

These interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting* issued by Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 August 2019.

**1.02 Changes in Accounting Policies**

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

**Standards issued but not yet effective**

The Group and the Company have not applied the following new MFRSs, new interpretation and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods beginning on or after
MFRS 16	Leases	<u>1 January 2019</u>

The initial application of the MFRSs, Amendments to MFRSs, Annual Improvements to MFRSs and IC Interpretations are not expected to have any significant impacts on the financial statements of the Group and of the Company except as mentioned below:

MFRS 16 Leases

MFRS 16, which upon the effective date will supersede MFRS 117 Leases, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under MFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, MFRS 117.

In respect of the lessor accounting, MFRS 16 substantially carries forward the lessor accounting requirements in MFRS 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Group and the Company do not expect the application of MFRS 16 to have a significant effect on its consolidated financial statements.

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**1.03 Qualified Audit Report**

The auditors' report on the financial statements for the year ended 31 August 2019 was not qualified.

**1.04 Seasonality Or Cyclicity Of Operations**

The business of the Group for the quarter under review has not been affected by any seasonality or cyclicity of operations.

**1.05 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no items affecting assets, liabilities, equity, net income or cash flows that unusual because of their nature, size or incidence during the financial period to date.

**1.06 Changes In Estimates**

There were no changes in estimates that have had any material effect during the current quarter and year-to-date ended 31 August 2020.

**1.07 Dividend Paid**

There was no dividend paid in the current financial period to date.

**1.08 Segmental Information**

The Group is principally engaged in the manufacturing segment within Malaysia. The other segments are not significant to be disclosed under the requirements of MFRS 8 - Operating Segments.

**1.09 Subsequent Events**

As at the date of this report, there are no material events subsequent to the balance sheet that have a material impact on the financial position of the Group.

**1.10 Changes In The Composition Of The Group**

There were no changes in the composition of the Group for the financial period under review.

**1.11 Changes In Contingent Liabilities**

There were no changes in other contingent liabilities since the last annual financial statements as at 31 August 2019.

**2. NOTES AS REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD REQUIREMENTS**

**2.01 Review Of Performance**

The Group for the fourth quarter ended 31 August 2020 registered a total turnover of RM13.91 million, as compared to RM12.97 million in the third quarter for this year. The higher turnover was mainly due to increase in request from the customer of the Group.

**2.02 Comparison With Preceding Quarter's Results**

During the current quarter, the Group registered total revenue of RM13.91 million as compared to the preceding quarter of RM14.38 million.

The Group has registered a loss after tax and minority interest of RM1.17 million as compared to preceding quarter profit after tax of RM2.55 million. The decrease in profit was mainly due to the lower cost of sales of RM10.49 million during the preceding quarter resulting in a gross profit of RM3.89 million as compared to cost of sales of RM13.03 million during the current quarter resulting in a gross profit of only RM0.88 million.

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**2.03 Current Year Prospects**

Barring unforeseen circumstances, the Directors foresee a weaker performance for the Group for the current year under influence of global economic downturn, weak recovery from slow domestic economic environment due to implication of pandemic COVID-19 outbreak.

**2.04 Variance Of Actual Profit From Forecast Profit / Profit Guarantee**

Not applicable.

**2.05 Income Tax Expense**

	Quarter Ended		Year Ended	
	31/08/2020 RM'000	31/08/2019 RM'000	31/08/2020 RM'000	31/08/2019 RM'000
Income tax	2	832	6	836
Deferred tax	(302)	-	(301)	-
	<b>(300)</b>	<b>832</b>	<b>(295)</b>	<b>836</b>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current and previous corresponding periods.

**2.06 (Loss)/Profit Before Tax**

	Quarter Ended		Year Ended	
	31/08/2020 RM'000	31/08/2019 RM'000	31/08/2020 RM'000	31/08/2019 RM'000
Net foreign exchange loss/(gain)				
- Realised	(142)	98	55	684
- Unrealised	660	(146)	(76)	(761)



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**2.07 Trade Receivables**

	As at 31/08/2020 RM'000	As at 31/08/2019 RM'000
Trade receivables	15,828	13,718
Less: Allowable for impairment loss	-	-
	<b>15,828</b>	<b>13,718</b>

The ageing analysis of the Group's trade receivables is as follows:

	As at 31/08/2020 RM'000	As at 31/08/2019 RM'000
Not past due and no credit impaired	-	9,011
Past due and no credit impaired:		
< 30 days	4,993	4,707
31 – 60 days	2,947	-
61 – 90 days	4,723	-
91 – 120 days	3,165	-
Trade receivables (gross)	<b>15,828</b>	<b>13,718</b>

**2.08 Profit On Sale Of Investment And / Or Properties**

There were no sales of investment / or properties for the financial period under review.

**2.09 Purchase Or Disposal Of Quoted Securities**

There were no purchases and / or disposal of quoted securities for the financial period under review.

**2.10 Status Of Corporate Proposals**

There were no new corporate proposals for the financial period under review.

**2.11 Group Borrowings and Debt Securities**

The Group borrowings as at 31 August 2020 are as follows:

Secured	Long term RM'000	Short term RM'000	Total borrowings RM'000
Hire Purchase	32	33	65

**2.12 Off Balance Sheet Financial Instruments**

The Group has no off-balance sheet financial instruments as at the date of this announcement.

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**2.13 Material Litigation**

On 4<sup>th</sup> September 2020, the Group has applied to intervene in Kuala Lumpur High Court Suit No.: WA-22NCC-171-05/2020 to protect its interest in the subject matter of the dispute. The intervention is not anticipated to have any material financial and operational impact on the Group's results for the financial year ending 31 August 2020 as the Group is acting as an intervener, not a plaintiff nor a defendant.

**2.14 Dividend**

No dividend was recommended for the quarter under review.

**2.15 Earnings/(Loss) Per Share**

**a) Basic**

	<b>Quarter Ended</b>		<b>Year Ended</b>	
	<b>31/08/2020</b>	<b>31/08/2019</b>	<b>31/08/2020</b>	<b>31/08/2019</b>
(Loss)/Profit attributable to the owners of the Company (RM'000)	(1,165)	2,557	(1,238)	1,935
Weighted average number of ordinary shares issued ('000)	205,331	205,331	205,331	205,331
<b>Basic (loss)/earnings per share (sen)</b>	<b>(0.57)</b>	<b>1.25</b>	<b>(0.60)</b>	<b>0.94</b>

**b) Diluted**

	<b>Quarter Ended</b>		<b>Year Ended</b>	
	<b>31/08/2020</b>	<b>31/08/2019</b>	<b>31/08/2020</b>	<b>31/08/2019</b>
(Loss)/Profit attributable to the owners of the Company (RM'000)	(1,165)	2,557	(1,238)	1,935
Weighted average number of ordinary shares issued ('000)	205,331	205,331	205,331	205,331
<b>Diluted (loss)/earnings per share (sen)</b>	<b>(0.57)</b>	<b>1.25</b>	<b>(0.60)</b>	<b>0.94</b>

- The outstanding warrants do not have any impact on the diluted earnings per share as the warrant 2014/2019 expired on 12 January 2019.