

**BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**  
**BURSA SECURITIES QUARTERLY REPORT - QUARTER 1**

| SUMMARY OF KEY FINANCIAL INFORMATION  | 30 NOVEMBER 2020                |  |                                       |   |
|---|---------------------------------|--|---------------------------------------|---|
|   | INDIVIDUAL PERIOD               |  | CUMULATIVE PERIOD                     |   |
|   | CURRENT YEAR<br>QUARTER         | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR<br>TO DATE               | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|   | 30/11/2020<br>RM'000            | 30/11/2019<br>-383                         | 30/11/2020<br>RM'000                  | 30/11/2019<br>RM'000                      |
| 1 Revenue   | 10,725                          | 11,027                                     | 10,725                                | 11,027                                    |
| 2 Loss before tax   | (1,357)                         | (383)                                      | (1,357)                               | (383)                                     |
| 3 Loss for the period   | (1,358)                         | (383)                                      | (1,358)                               | (383)                                     |
| 4 Loss attributable to ordinary equity holders of the parent                    | (1,358)                         | (383)                                      | (1,358)                               | (383)                                     |
| 5 Basic loss per share (Sen)  | (0.66)                          | (0.19)                                     | (0.66)                                | (0.19)                                    |
|   | AS AT END OF CURRENT<br>QUARTER |  | AS AT PRECEDING FINANCIAL<br>YEAR END |   |
| Net assets per share attributable to ordinary equity holders of the parent (RM) | 0.56                            |  | 0.57                                  |   |

| Net cash (used in)/generated from operations |                         |  |                         |   |
|--|-------------------------|--|-------------------------|---|
|  | INDIVIDUAL QUARTER      |  | CUMULATIVE QUARTER      |   |
|  | CURRENT YEAR<br>QUARTER | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER | CURRENT YEAR<br>TO DATE | PRECEDING YEAR<br>CORRESPONDING<br>PERIOD |
|  | 30/11/2020<br>RM'000    | 30/11/2019<br>RM'000                       | 30/11/2020<br>RM'000    | 30/11/2019<br>RM'000                      |
|  | 1 Loss from operations  | (1,568)                                    | (748)                   | (1,568)                                   |
| 2 Gross interest income                      | 211                     | 365  | 211                     | 365                                       |
| 3 Gross interest expense                     | -                       | -  | -                       | -   |

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

**QUARTERLY REPORT**

ON THE CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 NOVEMBER 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 |             |
|  | 30/11/2020<br>RM'000 | 30/11/2019<br>RM'000                 |             | 30/11/2020<br>RM'000 | 30/11/2019<br>RM'000                |             |
|  |                      |                                      |             | <b>(Unaudited)</b>   | <b>(Audited)</b>                    |             |
| Revenue  | 10,725               | 11,027                               | -3%         | 10,725               | 11,027                              | -3%         |
| Cost of sales  | (10,529)             | (10,738)                             | -2%         | (10,529)             | (10,738)                            | -2%         |
| Gross profit   | 196                  | 289                                  | -32%        | 196                  | 289                                 | -32%        |
| Other income   | (55)                 | (82)                                 | -33%        | (55)                 | (82)                                | -33%        |
| Operating expenses   | (1,709)              | (955)                                | 79%         | (1,709)              | (955)                               | 79%         |
| Loss from operations                                       | (1,568)              | (748)                                | 110%        | (1,568)              | (748)                               | 110%        |
| Interest income  | 211                  | 365                                  | -42%        | 211                  | 365                                 | -42%        |
| Loss before tax  | (1,357)              | (383)                                | 254%        | (1,357)              | (383)                               | 254%        |
| Income tax expense   | (1)                  | -                                    | 0%          | (1)                  | -                                   | 0%          |
| <b>Loss for the period</b>                                 | <b>(1,358)</b>       | <b>(383)</b>                         | <b>255%</b> | <b>(1,358)</b>       | <b>(383)</b>                        | <b>255%</b> |
| <b>Loss attributable to:</b>                               |                      |                                      |             |                      |                                     |             |
| Owners of the Company                                      | (1,358)              | (383)                                | 255%        | (1,358)              | (383)                               | 255%        |
| Non-controlling interest                                   | -                    | -                                    | -           | -                    | -                                   | -           |
|  | <b>(1,358)</b>       | <b>(383)</b>                         | <b>255%</b> | <b>(1,358)</b>       | <b>(383)</b>                        | <b>255%</b> |
| <b>Loss per share attributed to owners of the Company:</b> |                      |                                      |             |                      |                                     |             |
| Basic loss per share (Sen)                                 | (0.66)               | (0.19)                               |             | (0.66)               | (0.19)                              |             |

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 2020 and the accompanying explanatory notes attached to these interim financial statements.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|  | <b>AS AT<br/>30/11/2020<br/>RM'000<br/>(Unaudited)</b> | <b>AS AT<br/>31/8/2020<br/>RM'000<br/>(Audited)</b> |
|--|--|---|
| <b>Assets</b>  |  |   |
| Property, plant and equipment  | 54,442   | 55,384  |
| <b>Non-current asset</b>   | <b>54,442</b>  | <b>55,384</b>                                       |
| Inventories  | 8,463  | 11,472  |
| Trade and other Receivables  | 12,805   | 15,909  |
| Cash and bank balances   | 48,999   | 50,790  |
| <b>Current assets</b>  | <b>70,267</b>  | <b>78,171</b>                                       |
| <b>Total assets</b>  | <b>124,709</b>   | <b>133,555</b>                                      |
| <b>Equity and liabilities</b>  |  |   |
| Share capital  | 97,717   | 97,717  |
| Treasury shares  | (1)  | (1)   |
| Retained earnings  | 17,436   | 18,794  |
| Equity attributable to owners of the Company                           | 115,152  | 116,510   |
| Non-controlling interest   | (2)  | (2)   |
| <b>Total equity</b>  | <b>115,150</b>   | <b>116,508</b>                                      |
| Deferred tax liabilities   | 2,672  | 2,672   |
| Lease liabilities  | 23   | 32  |
| <b>Non-current liabilities</b>   | <b>2,695</b>   | <b>2,704</b>  |
| Trade and Other Payables   | 6,830  | 14,310  |
| Lease liabilities  | 34   | 33  |
| <b>Current liabilities</b>   | <b>6,864</b>   | <b>14,343</b>                                       |
| <b>Total liabilities</b>   | <b>9,559</b>   | <b>17,047</b>                                       |
| <b>Total equity and liabilities</b>                                    | <b>124,709</b>   | <b>133,555</b>                                      |
| <b>Net assets per share attributable to owners of the Company (RM)</b> | <b>0.56</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 2020 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 CASH FLOWS**

|   | Year Ended                          |                                   |
|---|-------------------------------------|-----------------------------------|
|   | 30/11/2020<br>RM'000<br>(Unaudited) | 30/11/2019<br>RM'000<br>(Audited) |
| <b>Cash flow from operating activities</b>                    |                                     |                                   |
| Loss before tax   | (1,357)                             | (383)                             |
| Adjustments for:  |                                     |                                   |
| Depreciation of property, plant and equipment                 | 942                                 | 906                               |
| Unrealised loss on foreign exchange                           | 108                                 | 119                               |
| Finance income  | (211)                               | (365)                             |
| <b>Operating (loss)/profit before working capital changes</b> | <b>(518)</b>                        | <b>277</b>                        |
| Decrease in inventories                                       | 3,009                               | 4,699                             |
| Decrease in receivables                                       | 2,996                               | 6,241                             |
| Decrease in payables  | (7,478)                             | (4,944)                           |
| <b>Net cash (used in)/generated from operations</b>           | <b>(1,991)</b>                      | <b>6,273</b>                      |
| Interest received   | 211                                 | 365                               |
| Tax paid  | (2)                                 | (2)                               |
| <b>Net cash (used in)/generated from operating activities</b> | <b>(1,782)</b>                      | <b>6,636</b>                      |
| <b>Cash flow from investing activity</b>                      |                                     |                                   |
| Purchase of property, plant and equipment                     | (1)                                 | (1)                               |
| <b>Net cash used in investing activity</b>                    | <b>(1)</b>                          | <b>(1)</b>                        |
| <b>Cash flow from financing activity</b>                      |                                     |                                   |
| Payment of finance lease liabilities                          | (8)                                 | (8)                               |
| <b>Net cash used in financing activity</b>                    | <b>(8)</b>                          | <b>(8)</b>                        |
| <b>Net (decrease)/increase in cash and cash equivalents</b>   | <b>(1,791)</b>                      | <b>6,627</b>                      |
| Cash and cash equivalents at beginning of year                | 50,790                              | 44,520                            |
| <b>Cash and cash equivalents at end of year</b>               | <b>48,999</b>                       | <b>51,147</b>                     |
| Cash and cash equivalents at end of year comprises:           |                                     |                                   |
| Cash and bank balances  | 48,999                              | 51,147                            |
|   | 48,999                              | 51,147                            |

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 August 2020 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-<br>controlling<br>interest | Total equity   |
|   | Share<br>capital                          | Treasury<br>Share | Retained<br>earnings |                                 |                |
|   | RM'000                                    | RM'000            | RM'000               | RM'000                          | RM'000         |
| At 1 September 2020                     | 97,717                                    | (1)               | 18,794               | (2)                             | 116,508        |
| Total comprehensive loss for the period | -   | -                 | (1,358)              | -                               | (1,358)        |
| <b>At 30 NOVEMBER 2020</b>              | <b>97,717</b>                             | <b>(1)</b>        | <b>17,436</b>        | <b>(2)</b>                      | <b>115,150</b> |
| At 1 September 2019                     | 97,717                                    | (1)               | 20,031               | (2)                             | 117,745        |
| Total comprehensive loss for the period | -   | -                 | (1,237)              | -                               | (1,237)        |
| <b>At 31 AUGUST 2020</b>                | <b>97,717</b>                             | <b>(1)</b>        | <b>18,794</b>        | <b>(2)</b>                      | <b>116,508</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 2020 and the accompanying explanatory notes attached to these interim financial statements.

**BRIGHT PACKAGING INDUSTRY BERHAD**  
**QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 30 NOVEMBER 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 2020.

**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<br>financial periods<br>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 2020 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 financial period to-date.

**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 2020.

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

**2.01 Review Of Performance**

The Group for first quarter ended 31 August 2021 registered a total turnover of RM10.73 million, as compared to RM11.03 million in the first quarter of last financial year. The lower turnover was mainly due to lower customer demand from tobacco industry. The loss after tax and minority interest is RM1.36 million for first quarter ended 31 August 2021 as compared to RM0.38 million in the first quarter of last financial year.

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

During the current quarter, the Group registered total revenue of RM10.73 million as compared to the preceding quarter of RM13.91 million.

The Group has registered a loss after tax and minority interest of RM1.36 million as compared to preceding quarter loss after tax of RM1.17 million. The further loss was mainly due to the decrease of RM3.18 million in revenue during the current quarter revenue of RM10.73 million as compared to preceding quarter revenue of RM13.91 million.

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**2.03 Current Year Prospects**

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

With the introduction of vaccine for COVID-19 to all the countries, the Directors remain optimistic that the Group performance will regain some momentum towards the end of the year and excel in the following year.

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

Not applicable.

**2.05 Income Tax Expense**

|              | Quarter Ended        |                      | Year Ended           |                      |
|--------------|----------------------|----------------------|----------------------|----------------------|
|              | 30/11/2020<br>RM'000 | 30/11/2019<br>RM'000 | 30/11/2020<br>RM'000 | 30/11/2019<br>RM'000 |
| Income tax   | 1                    | -                    | 1                    | -                    |
| Deferred tax | -                    | -                    | -                    | -                    |
|              | <b>1</b>             | <b>-</b>             | <b>1</b>             | <b>-</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           |                      |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                  | 30/11/2020<br>RM'000 | 30/11/2019<br>RM'000 | 30/11/2020<br>RM'000 | 30/11/2019<br>RM'000 |
| Net foreign exchange (loss)/gain |                      |                      |                      |                      |
| - Realised                       | (194)                | 3                    | (194)                | 3                    |
| - Unrealised                     | (108)                | (119)                | (108)                | (119)                |



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**2.07 Trade Receivables**

|                                     | <b>As at<br/>30/11/2020<br/>RM'000</b> | <b>As at<br/>31/08/2020<br/>RM'000</b> |
|-------------------------------------|--|--|
| Trade receivables                   | 12,520                                 | 15,828                                 |
| Less: Allowable for impairment loss | -                                      | -                                      |
|                                     | <u>12,520</u>                          | <u>15,828</u>                          |

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

|                                     | <b>As at<br/>30/11/2020<br/>RM'000</b> | <b>As at<br/>31/08/2020<br/>RM'000</b> |
|-------------------------------------|--|--|
| Not past due and no credit impaired | -                                      | -                                      |
| Past due and no credit impaired:    |  |  |
| < 30 days                           | 1,234                                  | 4,993                                  |
| 31 – 60 days                        | 3,611                                  | 2,947                                  |
| 61 – 90 days                        | 3,058                                  | 4,723                                  |
| 91 – 120 days                       | 4,617                                  | 3,165                                  |
| Trade receivables (gross)           | <u>12,520</u>                          | <u>15,828</u>                          |

**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 30 November 2020 are as follows:

| <b>Secured</b> | <b>Long term<br/>RM'000</b> | <b>Short term<br/>RM'000</b> | <b>Total borrowings<br/>RM'000</b> |
|----------------|-----------------------------|------------------------------|------------------------------------|
| Hire Purchase  | 23                          | 34                           | 57                                 |

**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 2021 as the Group is acting as an intervener, not a plaintiff nor a defendant.

The Court has fixed the Hearing of the Group's Intervener Application on 2 February 2021.

**2.14 Dividend**

No dividend was recommended for the quarter under review.

**2.15 Loss Per Share**

**a) Basic**

|  | <b>Quarter Ended</b> |                   | <b>Year Ended</b> |                   |
|--|----------------------|-------------------|-------------------|-------------------|
|  | <b>30/11/2020</b>    | <b>30/11/2019</b> | <b>30/11/2020</b> | <b>30/11/2019</b> |
| Loss attributable to the owners of the Company (RM'000)  | (1,358)              | (383)             | (1,358)           | (383)             |
| Weighted average number of ordinary shares issued ('000) | 205,331              | 205,331           | 205,331           | 205,331           |
| <b>Basic loss per share (Sen)</b>                        | <b>(0.66)</b>        | <b>(0.19)</b>     | <b>(0.66)</b>     | <b>(0.19)</b>     |