

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

Part A2 :- SUMMARY OF KEY FINANCIAL INFORMATION - UNAUDITED

Summary of Key Financial Information for the financial period ended 31 August 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/8/2015 RM'000	31/8/2014 RM'000	31/8/2015 RM'000	31/8/2014 RM'000
1 Revenue	15,597	7,792	44,714	34,151
2 Profit / (loss) before tax	1,087	(1,388)	3,436	4,267
3 Profit / (loss) after tax and minority interest	(1,543)	(3,846)	764	1,671
4 Profit / (loss) for the period	(1,543)	(3,846)	764	1,671
5 Basic earnings / (loss) per share (sen)	(0.94)	(2.86)	0.50	1.73
6 Dividend per share (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share (RM)	0.73		0.73	

Part A3 :- ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/8/2015 RM'000	31/8/2014 RM'000	31/8/2015 RM'000	31/8/2014 RM'000
1 Profit / (Loss) from operations	892	(1,559)	2,625	3,777
2 Gross Interest Income	243	193	957	576
3 Gross Interest Expense	48	22	146	86

BURSA SECURITIES QUARTERLY REPORT - FOURTH QUARTER

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2015 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/8/2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/8/2014 RM'000	CURRENT YEAR TO DATE 31/8/2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/8/2014 RM'000
Revenue	15,597	7,792	44,714	34,151
Cost Of Sales	(13,716)	(8,584)	(39,685)	(30,570)
Gross Profit	1,881	(792)	5,029	3,581
Other Income	1,097	(53)	2,257	3043
Operating Expenses	(2,086)	(714)	(4,661)	(2,847)
Profit / (Loss) From Operations	892	(1,559)	2,625	3,777
Interest income	243	193	957	576
Finance Costs	(48)	(22)	(146)	(86)
Profit/(Loss) Before Tax	1,087	(1,388)	3,436	4,267
Taxation	(2,630)	(2,458)	(2,672)	(2,596)
Profit / (Loss) for the period	(1,543)	(3,846)	764	1,671
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(1,543)	(3,846)	764	1,671
Profit attributable to:				
Owners of the parent	(1,543)	(3,846)	764	1,671
Non-controlling Interest	-	-	-	-
	(1,543)	(3,846)	764	1,671
Earnings per share attributed to owners of the parent (sen):				
Basic, for the profit / (loss) for the period	(0.94)	(2.86)	0.50	1.73
Diluted, for the profit / (loss) for the period	(0.70)	(2.00)	0.36	1.08

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial statements

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2015
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT END OF CURRENT QUARTER 31/8/2015 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31/08/2014 RM'000
ASSETS		
Non-current assets		
Property, Plant and Machinery	81,591	68,391
	<u>81,591</u>	<u>68,391</u>
Current assets		
Inventories & Work In Progress	8,564	5,686
Trade & Other Receivables	10,266	4,341
Cash & Cash Equivalent	29,930	30,775
	<u>48,760</u>	<u>40,802</u>
TOTAL ASSETS	<u>130,351</u>	<u>109,193</u>
EQUITY AND LIABILITIES		
Share capital	82,132	71,420
Share premium	15,584	9,664
Warrant Reserves	30,496	30,496
Other Reserves	(30,496)	(30,496)
Share Option Reserves	-	2,199
Accumulated Profit	22,290	21,504
Equity attributable to owners of the parent	<u>120,006</u>	<u>104,787</u>
Non-controlling interest	-	-
Total equity	<u>120,006</u>	<u>104,787</u>
Non-current liabilities		
Deferred Taxation	5,661	2,993
	<u>5,661</u>	<u>2,993</u>
Current liabilities		
Trade & Other Payables	4,684	1,413
	<u>4,684</u>	<u>1,413</u>
Total liabilities	<u>10,345</u>	<u>4,406</u>
TOTAL EQUITY AND LIABILITIES	<u>130,351</u>	<u>109,193</u>
Net Assets Per Share (sen)	73.06	73.36

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial statements

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2015 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Fourth Quarter Ended 31/08/15 RM'000	Preceding Year Corresponding Quarter 31/08/14 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,436	5,654
Adjustment for non-cash flow:-		
Depreciation of property, plant and equipment	5,577	438
Share option granted under SIS	1,184	-
Provision for debts written off	2	-
Interest income	(957)	(383)
Interest expense	146	64
Loss/(Gain) on foreign exchange - unrealised	(118)	-
Operating profit before changes in working capital	9,270	5,773
Inventories	(2,878)	(1,620)
Debtors	(5,925)	2,229
Creditors	3,325	(1,577)
Net cash generated from operations	3,792	4,805
Taxation paid	(56)	(138)
Net cash generated from operating activities	3,736	4,667
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(18,759)	(37,146)
Net cash (used in) / generated from investing activities	(18,759)	(37,146)
CASH FLOW FROM FINANCING ACTIVITIES		
Shares issuance net proceed	13,249	46,535
Interest received	957	383
Interest paid	(146)	(64)
Net cash generated from financing activities	14,060	46,854
NET DECREASE IN CASH AND CASH EQUIVALENTS	(963)	14,375
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE	118	-
CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER 2014	30,775	15,081
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2015	29,930	29,456
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	29,840	29,369
Fixed deposits with licensed banks	90	87
	29,930	29,456

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial statements

BRIGHT PACKAGING INDUSTRY BERHAD (161776 - W)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUGUST 2015 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the parent →					Accumulated Profit / (Losses)	Non-controlling Interest	Total
	Share Capital	Share Premium	Non - Distributable Share Option Reserves	Warrant Reserves	Other Reserves			
GROUP	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
At 1 September 2013	21,643	5,243	-	-	-	19,856	-	46,742
Issuance of share during the period	43,284	4,328	-	-	-	-	-	47,612
Transaction with owners:								
Issuance of share with free warrants during the financial year	-	-	-	10,100	(10,100)	-	-	-
Total comprehensive income for the period	-	(1,076)	-	-	-	5,516	-	4,440
At 31 August 2014	64,927	8,495	-	10,100	(10,100)	25,372	-	98,794
At 1 September 2014	71,420	9,664	2,199	30,496	(30,496)	21,504	-	104,787
Issuance of share during the period	10,712	5,954	(2,199)	-	-	-	-	14,467
Preliminary Adjustment	-	-	-	-	-	22	-	22
Total comprehensive income for the period	-	(34)	-	-	-	764	-	730
At 31 August 2015	82,132	15,584	-	30,496	(30,496)	22,290	-	120,006

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 August 2014 and the accompanying explanatory notes attached to the interim financial statements.

BRIGHT PACKAGING INDUSTRY BERHAD
QUARTERLY REPORT
FOR THE QUARTER ENDED 31 AUGUST 2015

1. NOTES TO THE INTERIM FINANCIAL STATEMENTS

1.01 Basis of Preparation

The interim financial statement has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 August 2014.

1.02 Changes in Accounting Policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 August 2014 except for the new standards amendments to published standards and interpretations as set out below:

		Effective for financial periods beginning on or after
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Annual Improvements to MFRSs 2012–2014 Cycle		1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
<u>New IC Int</u>		
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
<u>Amendments to IC Int</u>		
IC Int 2	Members' Shares in Co-operative Entities & Similar Instruments	1 January 2013

The Group and the Company intend to adopt the above MFRSs when they become effective.

BRIGHT PACKAGING INDUSTRY BERHAD
QUARTERLY REPORT
FOR THE QUARTER ENDED 31 AUGUST 2015

1.02 Changes in Accounting Policies (cont'd)

The initial application of the abovementioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and the Company except as mentioned below:

MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. MFRS 9 when effective will replace MFRS 139 *Financial Instruments: Recognition and Measurement*.

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

MFRS 15 *Revenue from Contracts with Customers*

MFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The Standard replaces MFRS 118 *Revenue*, MFRS 111 *Construction Contracts* and related IC Interpretations. The Group is in the process of assessing the impact of this Standard.

1.03 Qualified Audit Report

The auditors' report on the financial statements for the year ended 31 August 2014 was not qualified.

1.04 Seasonality Or Cyclicalities Of Operations

The business of the Group for the quarter under review has not been affected by any seasonality or cyclicalities 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 is no significant change in estimates of amounts reported in prior interim period or previous financial year.

1.07 Dividend Paid

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

BRIGHT PACKAGING INDUSTRY BERHAD
QUARTERLY REPORT
FOR THE QUARTER ENDED 31 AUGUST 2015

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 2014.

BRIGHT PACKAGING INDUSTRY BERHAD
QUARTERLY REPORT
FOR THE QUARTER ENDED 31 AUGUST 2015

2. NOTES AS REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD REQUIREMENTS

2.01 Review Of Performance

The Group for the fourth quarter ended 31 August 2015 registered a total turnover of RM15.60 million, as compared to RM7.79 million in the fourth quarter of last financial year. The higher turnover was due to increase in customers' order from tobacco industry.

2.02 Comparison With Preceding Quarter's Results

During the current quarter, the Group registered total revenue of RM15.60 million as compared to the preceding quarter of RM11.19 million. The Group has registered a loss after tax and minority interest of RM1.54 million as compared to preceding quarter loss after tax of RM0.15 million. The reduction in profitability mainly due to the increase in depreciation charges and deferred tax liabilities charged in current quarter.

2.03 Current Year Prospects

The Company on 13 January 2015 announced that the Company had entered into a Purchase-Sale Agreement with Zao Philip Morris Izhora, a MNC tobacco manufacturing company in Russia, to supply aluminium foil ("Agreement") at a total estimated value of USD15 million (US Dollars Fifteen Million) subject to the terms and conditions stipulated in the Agreement.

Barring unforeseen circumstances, the Directors foresee a reasonable performance for the Group for the year ahead.

2.04 Variance Of Actual Profit From Forecast Profit / Profit Guarantee

Not applicable.

2.05 Taxation

The taxation of the Group for the financial period under review was as follow:-

	Current Year ended 31 August 2015 RM'000	Current Year to date 31 August 2015 RM'000
Current tax expense	85	43
Deferred tax liabilities	(2,715)	(2,715)
	-----	-----
	(2,630)	(2,672)
	=====	=====

Tax expense for the current quarter ended 31 August 2015 is derived based on management's best estimate for the financial period.

2.06 Profit On Sale Of Investment And / Or Properties

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

2.07 Purchase Or Disposal Of Quoted Securities

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

2.08 Status Of Corporate Proposals

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

2.09 Group Borrowings and Debt Securities

As at 31/08/2015, the Group did not have any long term Bank borrowings and debt securities.

2.10 Off Balance Sheet Financial Instruments

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

BRIGHT PACKAGING INDUSTRY BERHAD
QUARTERLY REPORT
FOR THE QUARTER ENDED 31 AUGUST 2015

2.11 Material Litigation

On 22 August 2014 the Plaintiff filed a Writ and a Statement of Claim against the Company. The Plaintiff's primary claim against the Company is that there are irregularities in her resignation letter dated 11 March 2014 as a director of the Company and the Directors Statement made in respect of the Financial Statements for the financial year ended 31 August 2013 on the ground that her signature in the said Resignation Letter and the Financial Statements have been forged. The Plaintiff has sought declaratory relief, an order for rectification, general damages, exemplary damages and costs.

The Company has filed an Amended Defence and Counter-claim on 3 December 2014 and therein vehemently denies the Plaintiff's allegations and claims which are totally baseless and motivated by bad faith. In the Company's Counter-claim for defamation, the Company has sought the following relief:

- (a) Special damages in the sum of RM26,425,363.00 and continuing;
- (b) General damages to be assessed;
- (c) An injunction to restrain the Plaintiff by its servants or agents or otherwise from circulating or further publishing the said defamatory words or any other false statements concerning the Defendant;
- (d) Exemplary damages;
- (e) Aggravated damages;
- (f) Costs on a solicitor client basis; and
- (g) Such further and/or other relief that the Honourable Court deems fit and just.

On 7 October 2014 the Plaintiff filed an application for Discovery and the appointment of a Court Expert. The Plaintiff on 4 February 2015 also filed an application for leave to serve interrogatories. The Company opposed both applications and parties filed their respective affidavits. Both applications were heard on 24 March 2015 before YA Abu Bakar Bin Jais J wherein the Plaintiff withdrew her application for Discovery. Decision was given on 20 April 2015 wherein the Judge granted leave for the Plaintiff to serve Interrogatories in respect of Questions 2.2, 3, 4, 5, and 6 of the proposed interrogatories. The Defendant filed its Answers to Interrogatories on 6 May 2015. Trial of the matter proceeded on 24, 25, 26, 29 and 30 June 2015 and 12 August 2015. The court has further fixed 30 November 2015 and 1, 2, 3 December 2015, 5-8 January 2016 and 15-19 February 2016 for continued trial.

2.12 Dividend

No dividend was recommended for the quarter under review.

BRIGHT PACKAGING INDUSTRY BERHAD
QUARTERLY REPORT
FOR THE QUARTER ENDED 31 AUGUST 2015

2.13 Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/08/2015	Preceding Year Corresponding Quarter 31/08/2014	Current Year Quarter 31/08/2015	Preceding Year Corresponding Quarter 31/08/2014
a) <u>Basic earnings per share</u>				
Net profit/(loss) for the period (RM'000)	(1,543)	(3,846)	764	1,671
Weighted average number of Ordinary shares issued	164,265	134,230	152,854	96,804
Basic earnings per share (sen)	(0.94)	(2.86)	0.50	1.73

b) Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31/08/2015	Preceding Year Corresponding Quarter 31/08/2014	Current Year Quarter 31/08/2015	Preceding Year Corresponding Quarter 31/08/2014
Net profit/(loss) for the period (RM'000)	(1,543)	(3,846)	764	1,671
<u>Potential ordinary share (units)</u>	221,978	191,943	210,567	154,517
Weighted average number of Ordinary shares issued	164,265	134,230	152,854	96,804
Full conversion of Warrants to Shares	57,713	57,713	57,713	57,713
Full conversion of Options to Shares	-	-	-	-
Diluted earnings per share (sen)	(0.70)	(2.00)	0.36	1.08

2.14 Realised and Unrealised Profit/ (Losses) Disclosure

The accumulated loss of the Group as at 31 August 2015 and 31 August 2014 are analyzed as follows:

	As at 31/08/2015 RM'000	As at 31/08/2014 RM'000
Total accumulated loss of the Company and its subsidiaries:		
-Realised	(22,071)	(25,956)
-Unrealised	8,358	11,499
	(13,713)	(14,456)
Add: Consolidation adjustments	36,003	35,960
Accumulated profit / (loss) as per financial statements	22,290	21,504