

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 QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/11/2020 RM'000	30/11/2019 -383	30/11/2020 RM'000	30/11/2019 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 QUARTER		AS AT PRECEDING FINANCIAL 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 QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/11/2020 RM'000	30/11/2019 RM'000	30/11/2020 RM'000	30/11/2019 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 RM'000	30/11/2019 RM'000		30/11/2020 RM'000	30/11/2019 RM'000	
				(Unaudited)	(Audited)	
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%
Loss for the period	(1,358)	(383)	255%	(1,358)	(383)	255%
Loss attributable to:						
Owners of the Company	(1,358)	(383)	255%	(1,358)	(383)	255%
Non-controlling interest	-	-	-	-	-	-
	(1,358)	(383)	255%	(1,358)	(383)	255%
Loss per share attributed to owners of the Company:						
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)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30/11/2020 RM'000 (Unaudited)	AS AT 31/8/2020 RM'000 (Audited)
Assets		
Property, plant and equipment	54,442	55,384
Non-current asset	54,442	55,384
Inventories	8,463	11,472
Trade and other Receivables	12,805	15,909
Cash and bank balances	48,999	50,790
Current assets	70,267	78,171
Total assets	124,709	133,555
Equity and liabilities		
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)
Total equity	115,150	116,508
Deferred tax liabilities	2,672	2,672
Lease liabilities	23	32
Non-current liabilities	2,695	2,704
Trade and Other Payables	6,830	14,310
Lease liabilities	34	33
Current liabilities	6,864	14,343
Total liabilities	9,559	17,047
Total equity and liabilities	124,709	133,555
Net assets per share attributable to owners of the Company (RM)	0.56	0.57

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.



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

	Year Ended	
	30/11/2020 RM'000 (Unaudited)	30/11/2019 RM'000 (Audited)
Cash flow from operating activities		
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)
Operating (loss)/profit before working capital changes	(518)	277
Decrease in inventories	3,009	4,699
Decrease in receivables	2,996	6,241
Decrease in payables	(7,478)	(4,944)
Net cash (used in)/generated from operations	(1,991)	6,273
Interest received	211	365
Tax paid	(2)	(2)
Net cash (used in)/generated from operating activities	(1,782)	6,636
Cash flow from investing activity		
Purchase of property, plant and equipment	(1)	(1)
Net cash used in investing activity	(1)	(1)
Cash flow from financing activity		
Payment of finance lease liabilities	(8)	(8)
Net cash used in financing activity	(8)	(8)
Net (decrease)/increase in cash and cash equivalents	(1,791)	6,627
Cash and cash equivalents at beginning of year	50,790	44,520
Cash and cash equivalents at end of year	48,999	51,147
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- controlling interest	Total equity
	Share capital RM'000	Treasury Share RM'000	Retained earnings RM'000		
At 1 September 2020	97,717	(1)	18,794	(2)	116,508
Total comprehensive loss for the period	-	-	(1,358)	-	(1,358)
At 30 NOVEMBER 2020	97,717	(1)	17,436	(2)	115,150
At 1 September 2019	97,717	(1)	20,031	(2)	117,745
Total comprehensive loss for the period	-	-	(1,237)	-	(1,237)
At 31 AUGUST 2020	97,717	(1)	18,794	(2)	116,508

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 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 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 RM'000	30/11/2019 RM'000	30/11/2020 RM'000	30/11/2019 RM'000
Income tax	1	-	1	-
Deferred tax	-	-	-	-
	1	-	1	-

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 RM'000	30/11/2019 RM'000	30/11/2020 RM'000	30/11/2019 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

	As at 30/11/2020 RM'000	As at 31/08/2020 RM'000
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:

	As at 30/11/2020 RM'000	As at 31/08/2020 RM'000
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:

Secured	Long term RM'000	Short term RM'000	Total borrowings RM'000
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 4th 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

	Quarter Ended		Year Ended	
	30/11/2020	30/11/2019	30/11/2020	30/11/2019
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
Basic loss per share (Sen)	(0.66)	(0.19)	(0.66)	(0.19)