

PRESS RELEASE FOR IMMEDIATE RELEASE



THONG GUAN'S DELIVERS RECORD REVENUE DELIVERING DOUBLE DIGIT GROWTH TO RM217.2 MILLION

SUNGAI PETANI, 23 NOVEMBER 2017 – THONG GUAN INDUSTRIES BERHAD (“Thong Guan” or “the Group”), is one of Asia Pacific’s largest plastic packaging companies with over 30 years of experience and distinguished track records. The group is one of the largest producers of cast pallet stretch film and garbage bags in this region with an annual combined production output of more than 120,000 metric tons.

Today the Group announced its third quarter results ended **30 September 2017** for the financial year ending 31 December 2017 (“Q3FYE2017”) with a revenue of **RM217.2 million** and profit after tax and minority interest (“PATMI”) of **RM14.8 million**.

Q3 financial period ended 30 September 2017 (“Q3FYE2017”) vs Q3 financial period ended 30 September 2016 (“Q3FYE2016”)

	Q3FYE2017	Q3FYE2016	Variance	%
Revenue	RM217.2 mil	RM187.9 mil	RM29.3 mil	↑15.6%
Profit Before Tax (PBT)	RM17.5 mil	RM17.5 mil	RM (45) K	↑ (0.3%)
Profit After Tax (PAT)	RM15.1 mil	RM16.0 mil	RM (0.9) mil	↑ (5.4%)
Profit After Tax and Minority Interest (PATMI)	RM14.8 mil	RM15.6 mil	RM (0.8) mil	↑ (5.3%)

The increase in the Group’s revenue of RM29.3mil or 15.6% versus the corresponding period last year was due to the increase in sales volume of its plastic products mainly from export sales which increased by RM27.2 million or 15.5%. The Group’s revenue growth was also contributed by the higher sales of the Group’s food, beverages and other consumable products of RM2.1 million or 17.6%.

While the Group’s revenue increased, PBT dropped by a marginal 0.3% due to higher raw material cost for the plastics division and initial operating losses from its restaurant operations. Despite PBT being similar to Q3FYE2016, the Group’s PAT fell 5.4% due to an increase in tax expense.

As at 30 September 2017, Thong Guan’s balance sheet remained robust with a net cash position of RM61.0 million and a current ratio of 2.89 times.

Commenting on the strong performance, Thong Guan’s Executive Director, Mr. Alvin Ang said, “I am delighted that the Group was able to continue to achieve double digit growth from both our plastic products and food and beverage divisions. We recently celebrated Thong Guan’s 75th anniversary in September which was a momentous occasion for us where we announced that we as a group will strive to continue our double-digit growth and increase our production capacity to 200,000MT per annum by the year 2020. I am confident that with the commitment and dedication of our people here at Thong Guan, we can make that vision a reality.”

About Thong Guan Industries Berhad

Thong Guan Industries Berhad was founded and established by the late Mr Ang Thong Guan in 1942 as a tea merchant under the brand name "888". Our initial operations were in the packaging and trading of tea and coffee in a small town. Since then, the Group has ventured into manufacturing of plastic products, food & beverages and other consumable products. Today, Thong Guan is one of Asia Pacific's largest plastic packaging companies with over 30 years of experience and distinguished track records.

For more information, please visit www.thongguan.com

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