



TEXCHEM-PACK HOLDINGS (S) LTD.
Co. Reg. No. 200308296H
(the “Company”)

QUARTERLY UPDATE PURSUANT TO LISTING RULE 1313(2)

With effect from 5 March 2012, Texchem-Pack Holdings (S) Ltd. (the “Company”) has been included on the Watch-List pursuant to Listing Rule 1311.

Pursuant to Listing Rule 1313(2), the Board of Directors of the Company would like to provide the following quarterly update on the Company and its subsidiaries (collectively the “Group”).

1. Update on Financial Position and Outlook

The Group registered a 13% growth in revenue to RM47.5 million for the three months ended 31 March 2015 (“1Q15”), compared to RM41.9 million for the previous corresponding period (“1Q14”). The growth in revenue was largely due to higher sales achieved in the data storage, consumer electronic and electrical as well as medical/life sciences segments.

The Group recorded a net loss after tax of RM1.7 million in 1Q15, compared to a net loss after tax of RM4.2 million in 1Q14.

The Group reported cash used in operating activities of RM997,000 for the three months period ended 31 March 2015. After accounting for the cash used in investing and financing activities of RM1.4 million and RM1.0 million respectively, the cash and cash equivalents at end of the period stood at RM1.4 million.

As at 31 March 2015, the Group reported a negative working capital position of RM30.0 million. Nevertheless, the Group expects to be able to meet its financial obligations as and when they fall due, in view of the unutilized banking facilities that it has in place. The Group’s holding company, Texchem Resources Bhd, is also committed to providing financial support for the Group should the needs arise.

2. Material Development and Future Direction

While sustaining its leadership in the traditional industry segments, the medical/life sciences business is expected to be a growth catalyst going forward with capital investment.

The Group is committed to continuously growing its traditional HDD segment, with full effort to secure new programs and expand its retail packaging business.

The Group remains focused on improving its operational efficiency to improve its financial performance.

In coming up with an exit offer price for the delisting of the Company, its controlling shareholder, Texchem Resources Bhd ("TRB") requires an updated estimate of the value of the assets of the Company and its subsidiaries. Thus, a revaluation of these assets is necessary. Pending such a revaluation, TRB was not able to meet the 7 April 2015 deadline to submit its exit offer proposal. The Company has on 2 April 2015 applied to the Singapore Exchange Securities Trading Limited seeking a further extension of a further three months for TRB to make a reasonable exit offer to the Company's shareholders.

Save for the above and as previously announced, there are no other material developments that may have a significant impact on the financial position of the Group or on its future direction at this time. The Group will make prompt announcements should there be any material developments going forward.

BY ORDER OF THE BOARD

Brian Tan Guan Hooi
Director
28 April 2015