

Quarterly report on consolidated results for the second financial quarter ended 31st December 2019.
The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.12.2019 RM'000	Quarter Ended 31.12.2018 RM'000	Year To Date Ended 31.12.2019 RM'000	Year To Date Ended 31.12.2018 RM'000
Revenue	573,435	620,457	1,105,277	1,240,555
Cost of Sales	<u>(531,185)</u>	<u>(594,910)</u>	<u>(1,033,884)</u>	<u>(1,187,108)</u>
Gross Profit	42,250	25,547	71,393	53,447
Other Operating Income	(5,624)	(6,303)	(2,899)	660
Selling and Distribution Costs	(4,238)	(5,166)	(7,994)	(8,965)
Administrative Expenses	(17,504)	(12,359)	(32,311)	(22,784)
Other Expenses	8,428	8,669	10,527	367
Finance Costs	<u>(2,323)</u>	<u>(3,607)</u>	<u>(4,193)</u>	<u>(6,620)</u>
Profit Before Tax	20,989	6,781	34,523	16,105
Tax Expense	<u>(1,731)</u>	<u>(1,045)</u>	<u>(3,243)</u>	<u>(2,726)</u>
Profit for the Period	19,258	5,736	31,280	13,379
Other Comprehensive Income, net of tax	<u>(137)</u>	<u>(1)</u>	<u>(68)</u>	<u>(5)</u>
Total Comprehensive Income	<u>19,121</u>	<u>5,735</u>	<u>31,212</u>	<u>13,374</u>
Profit Attributable to :				
Owners of the parent	12,316	3,634	20,958	9,105
Non-Controlling Interest	<u>6,942</u>	<u>2,102</u>	<u>10,322</u>	<u>4,274</u>
	<u>19,258</u>	<u>5,736</u>	<u>31,280</u>	<u>13,379</u>
Basic earnings per share attributable to equity holders of the Company (sen)	<u>7.60</u>	<u>2.24</u>	<u>12.94</u>	<u>5.62</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	12,206	3,630	20,917	9,112
Non-Controlling Interest	<u>6,915</u>	<u>2,105</u>	<u>10,295</u>	<u>4,262</u>
	<u>19,121</u>	<u>5,735</u>	<u>31,212</u>	<u>13,374</u>

The Condensed Consolidated Statement of Profits or Loss and Other Comprehensive Income should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31.12.2019 RM'000	Audited as at 30.06.2019 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	93,696	84,951
Intangible Assets	11,261	11,261
Other Investment	10	10
	<u>104,967</u>	<u>96,222</u>
Current Assets		
Inventories	53,938	46,327
Trade Receivables	313,309	287,268
Other Receivables	23,087	16,407
Current Tax Assets	3,429	5,889
Derivative Assets	24,604	1,711
Deposits With Licensed Banks	13,000	23,700
Short Term Funds	41,507	-
Cash and Bank Balances	79,166	96,445
	<u>552,040</u>	<u>477,747</u>
TOTAL ASSETS	<u>657,007</u>	<u>573,969</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	95,147	95,147
Reserves	123,202	115,245
	<u>218,349</u>	<u>210,392</u>
Non-Controlling Interests	<u>39,993</u>	<u>31,733</u>
Total Equity	<u>258,342</u>	<u>242,125</u>
Non-Current Liabilities		
Long Term Loans	12,149	14,616
Hire Purchase Creditors	2,157	2,093
Retirement Benefit Obligations	557	500
Deferred Tax Liabilities	1,121	1,145
	<u>15,984</u>	<u>18,354</u>
Current Liabilities		
Trade Payables	66,970	82,759
Other Payables	54,260	39,375
Derivative Liabilities	17,695	5,330
Hire Purchase Creditors	1,489	1,461
Bank Borrowings	240,850	183,887
Current Tax Liabilities	1,417	678
	<u>382,681</u>	<u>313,490</u>
Total Liabilities	<u>398,665</u>	<u>331,844</u>
TOTAL EQUITY AND LIABILITIES	<u>657,007</u>	<u>573,969</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.35	1.30

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Non- Distributable	Distributable	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
		Foreign Exchange Reserve RM'000	Retained Earnings RM'000			
6 months ended 31st December 2019						
At 1st July 2019	95,147	39	115,206	210,392	31,733	242,125
Profit For The Period	-	-	20,958	20,958	10,322	31,280
Foreign Currency Translation	-	(41)	-	(41)	(27)	(68)
Total Comprehensive Income	-	(41)	20,958	20,917	10,295	31,212
Dividend Paid	-	-	(12,960)	(12,960)	(2,035)	(14,995)
At 31st December 2019	95,147	(2)	123,204	218,349	39,993	258,342
6 months ended 31st December 2018						
At 1st July 2018	95,147	18	115,988	211,153	29,732	240,885
Profit For The Period	-	-	9,105	9,105	4,274	13,379
Foreign Currency Translation	-	7	-	7	(12)	(5)
Total Comprehensive Income	-	7	9,105	9,112	4,262	13,374
Dividend Paid	-	-	(16,200)	(16,200)	-	(16,200)
At 31st December 2018	95,147	25	108,893	204,065	33,994	238,059

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2019 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date Ended 31.12.2019 RM'000	Corresponding Year To Date Ended 31.12.2018 RM'000
Profit Before Taxation	34,523	16,105
Adjustment for :-		
Non-Cash Items	8,705	11,305
Non-Operating Items	(10,658)	(2,169)
Operating Profit Before Working Capital Changes	32,570	25,241
Changes in Working Capital		
Net Change in Current Assets	(40,380)	(83,113)
Net Change in Current Liabilities	(903)	22,180
Cash Used In Operating Activities	(8,713)	(35,692)
Tax Paid	(68)	(3,475)
Interest Paid	(4,193)	(6,620)
Net Cash Used In Operating Activities	(12,974)	(45,787)
Investing Activities		
Purchase of Property, Plant and Equipment	(14,090)	(6,205)
Interest Received	811	911
Uplift/(Placement) of Deposits with Maturity Periods of more than three months	7,000	(6,400)
Proceeds from Sale of Property, Plant and Equipment	200	26
Net Cash Used In Investing Activities	(6,079)	(11,668)
Financing Activities		
Dividend Paid to Shareholders	(14,995)	(16,200)
Repayments of Borrowings	54,907	65,940
Net Cash From Financing Activities	39,912	49,740
Net Increase in Cash and Cash Equivalents	20,859	(7,715)
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	(12)	(15)
Cash and Cash Equivalents at beginning of financial year	99,826	120,327
Cash and Cash Equivalents at end of financial period	120,673	112,597
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	13,000	18,500
Short Term Funds	41,507	27,421
Cash and Bank Balances	79,166	80,417
Bank Overdrafts	-	(241)
	133,673	126,097
Less: Deposits with maturity more than three months	(13,000)	(13,500)
	120,673	112,597

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2019 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT
A1 Basis of Preparation

The condensed consolidated interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30th June 2019. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30th June 2019.

A2 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2019 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's business operations are affected by macroeconomic cycles.

A4 Nature and Amount of Unusual Items

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A5 Nature and Amount of Changes in Estimates

There were no significant changes in estimates of amounts reported in prior quarter that have a material impact on the current financial quarter.

A6 Debt and Equity Securities

The Group was not involved in any issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A7 Dividend Paid

A final single-tier dividend of 8 sen per ordinary share in respect of financial year ended 30th June 2019 amounting to RM12,960,000.00 was paid on 14th November 2019.

A8 Segment Information

For management purposes, the Group is organized into three major business segments, namely edible oil products, tapware and sanitary ware and investments holdings/others. Inter-segment transactions are entered into in the normal course of business and are based on negotiated and mutually agreed terms.

	3 months ended 31st December 2019			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	567,098	6,337	-	573,435
Operating Profit/(Loss)	24,496	(28)	(1,156)	23,312
Profit/(Loss) Before Tax	22,182	(32)	(1,161)	20,989
Segments assets				
Total Assets	569,131	32,096	55,780	657,007

	3 months ended 31st December 2018			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	611,130	9,327	-	620,457
Operating Profit/(Loss)	10,965	226	(803)	10,388
Profit/(Loss) Before Tax	7,381	207	(807)	6,781
Segments assets				
Total Assets	585,529	36,920	45,951	668,400

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT

A9 Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2019.

A10 Subsequent Material Events

As at the date of this report, there was no material event subsequent to the statement of financial position date that affect the results of the Group for the financial year todate.

A11 Changes in the Composition of the Group

There were no new corporate proposals during the current financial quarter under review.

A12 Changes in Contingent Liabilities

The contingent liabilities of the Company are as follows:-

	As at 31.12.2019 RM'000
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	<u>252,999</u>
(ii) Hire purchase and lease facilities granted to subsidiaries	<u>-</u>

A13 Capital Commitments

	As at 31.12.2019 RM'000
Authorised and contracted for	<u>391</u>
Authorised but not contracted for	<u>138</u>

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
B1 Review of Performance

The Group's performance for the quarter under review against the corresponding quarter of the previous financial year is tabled below:-

Description	Current Quarter				Cumulative Quarter			
	2nd Qtr 2020 RM'000	2nd Qtr 2019 RM'000	Changes RM'000	Variance %	2nd Qtr 2020 RM'000	2nd Qtr 2019 RM'000	Changes RM'000	Variance %
Revenue	573,435	620,457	(47,022)	-8%	1,105,277	1,240,555	(135,278)	-11%
Operating Profit	23,312	10,388	12,924	124%	38,716	22,725	15,991	70%
Profit before tax	20,989	6,781	14,208	210%	34,523	16,105	18,418	114%
Profit after tax	19,258	5,736	13,522	236%	31,280	13,379	17,901	134%

For the current quarter, the Group recorded revenue of RM573.44 million, a decrease of 8% compared to revenue of RM620.46 million recorded in the corresponding quarter last year. The lower revenue for this quarter is mainly due to a 11% decrease in total FCLs exported which was moderated by a 23% increase in average olein prices.

Operating margins improved due to a 12% increase in direct sales as compared to toll packing sales and from increased sales margins to the markets we export.

B2 Variation of Results Against Preceding Quarter

Description	2nd Qtr 2020 RM'000	1st Qtr 2020 RM'000	Changes RM'000	Variance %
Revenue	573,435	531,842	41,593	8%
Operating Profit	23,312	15,403	7,909	51%
Profit before tax	20,989	13,533	7,456	55%
Profit after tax	19,258	12,021	7,237	60%

For the current quarter, revenue increased by 8% as compared to the preceding quarter due to a 4.5% increase in total FCLs exported coupled with a 19.4% increase in average olein prices.

Operating margins improved due to increased sales margins to the markets we export.

B3 Current Year Prospects

The Group will continue with its expansion plans for revenue growth for its edible oil operations and with smart partnership tie-up with property developers for the tapware and sanitary ware divisions to enhance shareholders' value.

B4 Profit Forecast

Not applicable as no profit forecast was published.

B5 Tax Expense

Taxation for continuing operations comprises:

	Quarter Ended		Year To Date Ended	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Taxation comprises:-				
- Income Tax				
Current Period	1,735	1,033	3,266	2,703
- Deferred Tax	(4)	12	(23)	23
	<u>1,731</u>	<u>1,045</u>	<u>3,243</u>	<u>2,726</u>

The Group's effective tax rate for the current quarter is lower than the statutory tax rate mainly due to the impact on reduced tax by a subsidiary which obtained approval for a tax incentive scheme.

ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD
B6 Corporate Proposal

There were no new corporate proposals during the current financial quarter under review.

B7 Bank Borrowings

Details of the Group's bank borrowings as at 31st December 2019 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	240,850	-	240,850
Non-Current	12,149	-	12,149
	<u>252,999</u>	<u>-</u>	<u>252,999</u>

B8 Derivative Financial Instruments

The derivative forward currency contracts were entered into with the objective of managing the Group's exposure to currency risk for receivables which are denominated in a currency other than the functional currency of the Group.

The derivatives below are initially recognised at fair value on the dates the derivative contracts are entered into and are subsequently re-measured at fair value through profit or loss to the financial statements. The resulting gain or loss from re-measurement is recognised in profit or loss to the financial statements.

The details of the foreign currency forward contracts are as follows:-

Type of Derivatives	Quarter Ended	
	31.12.2019 RM'000	31.12.2018 RM'000
Forward Contracts		
Less than 1 year		
Contract/Notional Value	610,070	510,032
Fair Value	6,909	1,394

There have been no changes in the types of derivative financial contracts entered into and the rationale for entering into such contracts since the end of the financial year ended 30th June 2019 and the risk management policies in place for mitigating or controlling the risk associated with the derivatives.

B9 Material Litigation

There are no litigation proceedings by or against the Group.

B10 Dividend

The Board of Directors do not recommend any dividend for the period ended 31st December 2019.

B11 Earnings Per Share

	Quarter Ended		Year To Date Ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Profit attributable to equity holders of the Company (RM'000)	12,316	3,634	20,958	9,105
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	7.60	2.24	12.94	5.62