

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<br>Ended<br>31.12.2019<br>RM'000 | Quarter<br>Ended<br>31.12.2018<br>RM'000 | Year To<br>Date Ended<br>31.12.2019<br>RM'000 | Year To<br>Date Ended<br>31.12.2018<br>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>                                |
| <b>Profit Before Tax</b>  | 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>                                |
| <b>Profit for the Period</b>  | 19,258                                   | 5,736                                    | 31,280  | 13,379  |
| <b>Other Comprehensive Income,<br/>net of tax</b>                               | <u>(137)</u>                             | <u>(1)</u>                               | <u>(68)</u>                                   | <u>(5)</u>                                    |
| <b>Total Comprehensive Income</b>   | <u>19,121</u>                            | <u>5,735</u>                             | <u>31,212</u>                                 | <u>13,374</u>                                 |
| <b>Profit Attributable to :</b>   |  |  |   |   |
| 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<br>to equity holders of the Company (sen) | <u>7.60</u>                              | <u>2.24</u>                              | <u>12.94</u>                                  | <u>5.62</u>                                   |
| <b>Total Comprehensive Income Attributable to:</b>                              |  |  |   |   |
| 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<br>as at<br>31.12.2019<br>RM'000 | Audited<br>as at<br>30.06.2019<br>RM'000 |
|--|--|--|
| <b>ASSETS</b>  |  |  |
| <b>Non-Current Assets</b>  |  |  |
| 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>                            |
| <b>Current Assets</b>  |  |  |
| 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>                           |
| <b>TOTAL ASSETS</b>  | <u>657,007</u>                             | <u>573,969</u>                           |
| <b>EQUITY AND LIABILITIES</b>  |  |  |
| <b>Equity attributable to equity holders of the parent</b>                       |  |  |
| Share Capital  | 95,147                                     | 95,147                                   |
| Reserves   | 123,202                                    | 115,245                                  |
|  | <u>218,349</u>                             | <u>210,392</u>                           |
| <b>Non-Controlling Interests</b>   | <u>39,993</u>                              | <u>31,733</u>                            |
| <b>Total Equity</b>  | <u>258,342</u>                             | <u>242,125</u>                           |
| <b>Non-Current Liabilities</b>   |  |  |
| 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>                            |
| <b>Current Liabilities</b>   |  |  |
| 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>                           |
| <b>Total Liabilities</b>   | <u>398,665</u>                             | <u>331,844</u>                           |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <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<br>Capital<br>RM'000 | Non-<br>Distributable                    | Distributable                  | Total<br>RM'000 | Non-<br>Controlling<br>Interest<br>RM'000 | Total<br>Equity<br>RM'000 |
|--|----------------------------|--|--------------------------------|-----------------|---|---------------------------|
|  |                            | Foreign<br>Exchange<br>Reserve<br>RM'000 | Retained<br>Earnings<br>RM'000 |                 |   |                           |
| <b>6 months<br/>ended 31st December 2019</b> |                            |  |                                |                 |   |                           |
| 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                   |
| <b>6 months<br/>ended 31st December 2018</b> |                            |  |                                |                 |   |                           |
| 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<br>Year To<br>Date Ended<br>31.12.2019<br>RM'000 | Corresponding<br>Year To<br>Date Ended<br>31.12.2018<br>RM'000 |
|---|--|--|
| Profit Before Taxation  | 34,523   | 16,105   |
| Adjustment for :-   |  |  |
| Non-Cash Items  | 8,705  | 11,305   |
| Non-Operating Items   | <u>(10,658)</u>  | <u>(2,169)</u>   |
| 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   | <u>(903)</u>   | <u>22,180</u>  |
| Cash Used In Operating Activities   | (8,713)  | (35,692)   |
| Tax Paid  | (68)   | (3,475)  |
| Interest Paid   | <u>(4,193)</u>   | <u>(6,620)</u>   |
| Net Cash Used In Operating Activities   | <u>(12,974)</u>  | <u>(45,787)</u>  |
| Investing Activities  |  |  |
| Purchase of Property, Plant and Equipment   | (14,090)   | (6,205)  |
| Interest Received   | 811  | 911  |
| Uplift/(Placement) of Deposits with Maturity Periods<br>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   | <u>(6,079)</u>   | <u>(11,668)</u>  |
| Financing Activities  |  |  |
| Dividend Paid to Shareholders   | (14,995)   | (16,200)   |
| Repayments of Borrowings  | 54,907   | 65,940   |
| Net Cash From Financing Activities  | <u>39,912</u>  | <u>49,740</u>  |
| 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                              | <u>120,673</u>   | <u>112,597</u>   |
| 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)  |
|   | <u>133,673</u>   | <u>126,097</u>   |
| Less: Deposits with maturity more than three months                               | <u>(13,000)</u>  | <u>(13,500)</u>  |
|   | <u>120,673</u>   | <u>112,597</u>   |

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<br>RM'000     | Tapware and sanitary ware<br>RM'000 | Investment holdings/Others<br>RM'000 | Total<br>RM'000 |
| <b>Segments revenues and results</b> |                                   |                                     |                                      |                 |
| 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          |
| <b>Segments assets</b>               |                                   |                                     |                                      |                 |
| Total Assets                         | 569,131                           | 32,096                              | 55,780                               | 657,007         |

|                                      | 3 months ended 31st December 2018 |                                     |                                      |                 |
|--------------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-----------------|
|                                      | Edible oil products<br>RM'000     | Tapware and sanitary ware<br>RM'000 | Investment holdings/Others<br>RM'000 | Total<br>RM'000 |
| <b>Segments revenues and results</b> |                                   |                                     |                                      |                 |
| 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           |
| <b>Segments assets</b>               |                                   |                                     |                                      |                 |
| 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<br>31.12.2019<br>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<br>31.12.2019<br>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<br>RM'000 | 2nd Qtr 2019<br>RM'000 | Changes<br>RM'000 | Variance<br>% | 2nd Qtr 2020<br>RM'000 | 2nd Qtr 2019<br>RM'000 | Changes<br>RM'000 | Variance<br>% |
| 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<br>RM'000 | 1st Qtr 2020<br>RM'000 | Changes<br>RM'000 | Variance<br>% |
|-------------------|------------------------|------------------------|-------------------|---------------|
| 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<br>RM'000 | 31.12.2018<br>RM'000 | 31.12.2019<br>RM'000 | 31.12.2018<br>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<br>RM'000 | Unsecured<br>RM'000 | Total<br>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<br>RM'000 | 31.12.2018<br>RM'000 |
| <b>Forward Contracts</b> |                      |                      |
| 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       |