Quarterly report on consolidated results for the third financial quarter ended 31st March 2020
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.03.2020 RM'000	Quarter Ended 31.03.2019 RM'000	Year To Date Ended 31.03.2020 RM'000	Year To Date Ended 31.03.2019 RM'000
Revenue	722,529	599,547	1,827,806	1,840,102
Cost of Sales	(680,862)	(570,153)	(1,714,746)	(1,757,261)
Gross Profit	41,667	29,394	113,060	82,841
Other Operating Income	10,904	1,632	8,005	2,292
Selling and Distribution Costs	(4,988)	(5,020)	(12,982)	(13,985)
Administrative Expenses	(11,023)	(12,460)	(43,333)	(35,244)
Other Expenses	(30,589)	231	(20,062)	598
Finance Costs	(3,089)	(3,139)	(7,282)	(9,759)
Profit Before Tax	2,882	10,638	37,406	26,743
Tax Expense	(1,037)	(1,825)	(4,280)	(4,551)
Profit for the Period	1,845	8,813	33,126	22,192
Other Comprehensive Income, net of tax	346	(9)	277	(14)
Total Comprehensive Income	2,191	8,804	33,403	22,178
Profit Attributable to :				
Owners of the parent	1,172	6,780	22,130	15,882
Non-Controlling Interest	673	2,033	10,996	6,310
	1,845	8,813	33,126	22,192
Basic earnings per share attributable to equity holders of the Company (sen)	0.72	4.19	13.66	9.80
Total Comprehensive Income Attributable to:				
Owners of the parent	1,545	6,769	22,298	15,869
Non-Controlling Interest	646	2,035	11,105	6,309
	2,191	8,804	33,403	22,178

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 31.03.2020 RM'000	Audited as at 30.06.2019 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	92,471	84,951
Intangible Assets	11,261	11,261
Other Investment	10	10
Prepayment	3,300	-
	107,042	96,222
Current Assets		
Inventories	52,718	46,327
Trade Receivables	427,224	287,268
Other Receivables	30,776	16,407
Current Tax Assets	3,320	5,889
Derivative Assets	7,843	1,711
Deposits With Licensed Banks	14,500	23,700
Short Term Funds	41,850	-
Cash and Bank Balances	93,249	96,445
	671,480	477,747
TOTAL ASSETS	778,522	573,969
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	95,147	95,147
Reserves	124,583	115,245
	219,730	210,392
Non-Controlling Interests	37,613	31,733
Total Equity	257,343	242,125
Non-Current Liabilities		
Long Term Loans	10,951	14,616
Hire Purchase Creditors	1,843	2,093
Retirement Benefit Obligations	591	500
Deferred Tax Liabilities	1,104	1,145
	14,489	18,354
Current Liabilities		
Trade Payables	62,272	82,759
Other Payables	50,997	39,375
Derivative Liabilities	31,571	5,330
Hire Purchase Creditors	1,510	1,461
Bank Borrowings	359,815	183,887
Current Tax Liabilities	525	678
	506,690	313,490
Total Liabilities	521,179	331,844
TOTAL EQUITY AND LIABILITIES	778,522	573,969
	-	-
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.36	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

	Non-Distributable		Distributable			
9 months ended 31st March 2020	Share Capital RM'000	Foreign Exchange Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
At 1st July 2019	95,147	39	115,206	210,392	31,733	242,125
Profit For The Period	-	-	22,130	22,130	10,996	33,126
Foreign Currency Translation	-	168	-	168	109	277
Total Comprehensive Income	-	168	22,130	22,298	11,105	33,403
Dividend Paid	-	-	(12,960)	(12,960)	(5,225)	(18,185)
At 31st December 2019	95,147	207	124,376	219,730	37,613	257,343
9 months ended 31st March 2019						
At 1st July 2018	95,147	18	115,988	211,153	29,732	240,885
Profit For The Period	-	-	15,882	15,882	6,310	22,192
Foreign Currency Translation	-	(13)	-	(13)	(1)	(14)
Total Comprehensive Income	-	(13)	15,882	15,869	6,309	22,178
Dividend Paid	-	-	(16,200)	(16,200)	-	(16,200)
At 31st December 2018	95,147	5	115,670	210,822	36,041	246,863

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 31.03.2020 RM'000	Corresponding Year To Date Ended 31.03.2019 RM'000
Profit Before Taxation	37,406	26,743
Adjustment for :-		
Non-Cash Items	15,464	16,685
Non-Operating Items	19,979	(2,759)
Operating Profit Before Working Capital Changes	72,849	40,669
Changes in Working Capital		
Net Change in Current Assets	(165,300)	(104,425)
Net Change in Current Liabilities	(8,866)	43,200
Cash Used In Operating Activities	(101,317)	(20,556)
Tax Paid	(1,905)	(6,641)
Interest Paid	(7,282)	(9,759)
Net Cash Used In Operating Activities	(110,504)	(36,956)
Investing Activities		
Purchase of Property, Plant and Equipment	(15,649)	(12,443)
Interest Received	1,275	1,291
Uplift/(Placement) of Deposits with Maturity Periods of more than three months	7,000	(5,900)
Proceeds from Sale of Property, Plant and Equipment	200	27
Net Cash Used In Investing Activities	(7,174)	(17,025)
Financing Activities		
Dividend Paid to Shareholders	(18,185)	(16,200)
Drawdown of Borrowings	172,304	15,912
Net Cash From Financing Activities	154,119	(288)
Net Increase in Cash and Cash Equivalents	36,441	(54,269)
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	255	9
Cash and Cash Equivalents at beginning of financial year	99,826	120,327
Cash and Cash Equivalents at end of financial period	136,522	66,067
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	14,500	15,200
Short Term Funds	41,850	27,649
Cash and Bank Balances	93,249	36,304
Bank Overdraft	(77)	(86)
	149,522	79,067
Less: Deposits with maturity more than three months	(13,000)	(13,000)
	136,522	66,067

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

There was no dividend paid in the current quarter ended 31st March 2020.

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 March 2020			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	717,934	4,595	-	722,529
Operating Profit/(Loss)	7,465	(601)	(893)	5,971
Profit/(Loss) Before Tax	4,385	(604)	(899)	2,882
Segments assets				
Total Assets	688,004	31,480	59,038	778,522

	3 months ended 31st March 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	590,439	9,108	-	599,547
Operating Profit/(Loss)	14,709	83	(1,015)	13,777
Profit/(Loss) Before Tax	11,596	64	(1,022)	10,638
Segments assets				
Total Assets	567,206	36,009	56,005	659,220

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 31.03.2020 RM'000
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	370,766
(ii) Hire purchase and lease facilities granted to subsidiaries	-

A13 Capital Commitments

	As at 31.03.2020 RM'000
Authorised and contracted for	303
Authorised but not contracted for	250

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:-

	Current Quarter				Cumulative Quarter			
Description	3rd Qtr 2020 RM'000	3rd Qtr 2019 RM'000	Changes RM'000	Variance %	3rd Qtr 2020 RM'000	3rd Qtr 2019 RM'000	Changes RM'000	Variance %
Revenue	722,529	599,547	122,982	21%	1,827,806	1,840,102	(12,296)	-1%
Operating Profit	5,971	13,777	(7,806)	-57%	44,688	36,502	8,186	22%
Profit before tax	2,882	10,638	(7,756)	-73%	37,406	26,743	10,663	40%
Profit after tax	1,845	8,813	(6,968)	-79%	33,126	22,192	10,934	49%

For the current quarter, the Group recorded revenue of RM722.53 million, an increase of 21% compared to revenue of RM599.55 million recorded in the corresponding quarter last year. The higher revenue for this quarter is mainly due to the 27% increase in average olein prices and the 3% strengthening of the USD.

Operating margins declined by 57% due to the higher unrealised derivative losses arising from the sudden 5% spike in the USD as compared to the contractual hedged rates at the end of our 3rd Quarter.

B2 Variation of Results Against Preceding Quarter

Description	3rd Qtr 2020 RM'000	2nd Qtr 2020 RM'000	Changes RM'000	Variance %
Revenue	722,529	573,435	149,094	26%
Operating Profit	5,971	23,312	(17,341)	-74%
Profit before tax	2,882	20,989	(18,107)	-86%
Profit after tax	1,845	19,258	(17,413)	-90%

For the current quarter, revenue increased by 26% as compared to the preceding quarter due to the 10% increase in average olein prices, 2% increase in FCLs shipped out and the 1.2% increase in the USD.

Operating margins declined by 74% due to higher unrealised derivative losses arising from the sudden 5% spike in the USD as compared to the contractual hedged rates at the end of our 3rd Quarter.

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	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Taxation comprises:-				
- Income Tax				
Current Period	1,144	1,522	4,411	4,225
(Over)/Under provision in prior year	(90)	291	(90)	291
- Deferred Tax	(17)	12	(41)	35
	1,037	1,825	4,280	4,551

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 March 2020 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	359,815	-	359,815
Non-Current	10,951	-	10,951
	370,766	-	370,766

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:-

	Quarter Ended	
	31.03.2020	31.03.2019
Type of Derivatives	RM'000	RM'000
Forward Contracts		
Less than 1 year		
Contract/Notional Value	877,266	490,478
Fair Value	(23,728)	1,969

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 March 2020.

B11 Earnings Per Share

	Quarter Ended		Year To Date Ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Profit attributable to equity holders of the Company (RM'000)	1,172	6,780	22,130	15,882
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	0.72	4.19	13.66	9.80