

Quarterly Report on consolidated results for the third financial quarter ended 31st March 2022

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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>31.03.2022<br>RM'000 | Quarter<br>Ended<br>31.03.2021<br>RM'000 | Year To<br>Date Ended<br>31.03.2022<br>RM'000 | Year To<br>Date Ended<br>31.03.2021<br>RM'000 |
| Revenue   | 758,983                                  | 841,717                                  | 2,782,111                                     | 2,244,402                                     |
| Cost of Sales   | (707,871)                                | (787,758)                                | (2,616,628)                                   | (2,116,038)                                   |
| Gross Profit  | 51,112                                   | 53,959                                   | 165,483                                       | 128,364                                       |
| Other Operating (Expenses)/Income   | (14,363)                                 | (702)                                    | (7,909)                                       | 19,375  |
| Selling and Distribution Costs  | (3,452)                                  | (3,778)                                  | (10,818)                                      | (11,869)                                      |
| Administrative Expenses   | (9,344)                                  | (13,447)                                 | (60,824)                                      | (50,100)                                      |
| Finance Costs   | (956)                                    | (1,402)                                  | (3,402)                                       | (5,520)                                       |
| <b>Profit Before Tax</b>  | 22,997                                   | 34,630                                   | 82,530  | 80,250  |
| Tax Expense   | (993)                                    | (1,704)                                  | (3,748)                                       | (3,038)                                       |
| <b>Profit for the Period</b>  | 22,004                                   | 32,926                                   | 78,782  | 77,212  |
| <b>Other Comprehensive Income,<br/>net of tax</b>                               | 66                                       | 267                                      | 71  | (174)   |
| <b>Total Comprehensive Income</b>   | <u>22,070</u>                            | <u>33,193</u>                            | <u>78,853</u>                                 | <u>77,038</u>                                 |
| <b>Profit Attributable to :</b>   |  |  |   |   |
| Owners of the parent  | 13,378                                   | 20,434                                   | 42,202  | 47,907  |
| Non-Controlling Interest  | 8,626                                    | 12,492                                   | 36,580  | 29,305  |
|   | <u>22,004</u>                            | <u>32,926</u>                            | <u>78,782</u>                                 | <u>77,212</u>                                 |
| Basic earnings per share attributable<br>to equity holders of the Company (sen) | <u>8.26</u>                              | <u>12.61</u>                             | <u>26.05</u>                                  | <u>29.57</u>                                  |
| <b>Total Comprehensive Income Attributable to:</b>                              |  |  |   |   |
| Owners of the parent  | 13,399                                   | 20,771                                   | 42,226  | 47,803  |
| Non-Controlling Interest  | 8,671                                    | 12,422                                   | 36,627  | 29,235  |
|   | <u>22,070</u>                            | <u>33,193</u>                            | <u>78,853</u>                                 | <u>77,038</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|  | Unaudited<br>as at<br>31.03.2022<br>RM'000 | Audited<br>as at<br>30.06.2021<br>RM'000 |
|--|--|--|
| <b>ASSETS</b>  |  |  |
| <b>Non-Current Assets</b>  |  |  |
| Property, Plant and Equipment  | 73,630                                     | 76,353                                   |
| Right-Of-Use Assets  | 15,733                                     | 18,791                                   |
| Intangible Assets  | 17,261                                     | 17,261                                   |
| Other Investment   | 10   | 10                                       |
|  | <u>106,634</u>                             | <u>112,415</u>                           |
| <b>Current Assets</b>  |  |  |
| Inventories  | 71,397                                     | 72,228                                   |
| Trade Receivables  | 346,814                                    | 446,445                                  |
| Other Receivables  | 5,521                                      | 19,745                                   |
| Current Tax Assets   | 5,043                                      | 4,956                                    |
| Derivative Assets  | 3,561                                      | 6,844                                    |
| Deposits With Licensed Banks   | 25,550                                     | 26,300                                   |
| Short Term Funds   | 64,153                                     | -  |
| Cash and Bank Balances   | 103,460                                    | 161,009                                  |
|  | <u>625,499</u>                             | <u>737,527</u>                           |
| <b>TOTAL ASSETS</b>  | <u>732,133</u>                             | <u>849,942</u>                           |
| <b>EQUITY AND LIABILITIES</b>  |  |  |
| <b>Equity attributable to equity holders of the parent</b>                       |  |  |
| Share Capital  | 95,147                                     | 95,147                                   |
| Reserves   | 208,967                                    | 186,181                                  |
|  | <u>304,114</u>                             | <u>281,328</u>                           |
| <b>Non-Controlling Interests</b>   | <u>76,233</u>                              | <u>74,146</u>                            |
| <b>Total Equity</b>  | <u>380,347</u>                             | <u>355,474</u>                           |
| <b>Non-Current Liabilities</b>   |  |  |
| Long Term Loans  | 5,824                                      | 4,996                                    |
| Retirement Benefit Obligations   | 659  | 578                                      |
| Lease Liabilities  | 5,430                                      | 5,690                                    |
| Deferred Tax Liabilities   | 1,020                                      | 1,020                                    |
|  | <u>12,933</u>                              | <u>12,284</u>                            |
| <b>Current Liabilities</b>   |  |  |
| Trade Payables   | 60,408                                     | 90,542                                   |
| Other Payables   | 87,312                                     | 90,745                                   |
| Derivative Liabilities   | 2,183                                      | 2,848                                    |
| Lease Liabilities  | 758  | 1,959                                    |
| Bank Borrowings  | 187,920                                    | 295,180                                  |
| Current Tax Liabilities  | 272  | 910                                      |
|  | <u>338,853</u>                             | <u>482,184</u>                           |
| <b>Total Liabilities</b>   | <u>351,786</u>                             | <u>494,468</u>                           |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <u>732,133</u>                             | <u>849,942</u>                           |
| Net assets per share attributable to ordinary equity holders of the Company (RM) | 1.88                                       | 1.74                                     |

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  |                            | Non-<br>Distributable                                   | Distributable                  |                 |   |                           |
|--|----------------------------|---|--------------------------------|-----------------|---|---------------------------|
|  | Share<br>Capital<br>RM'000 | Foreign<br>Exchange<br>Translation<br>Reserve<br>RM'000 | Retained<br>Earnings<br>RM'000 | Total<br>RM'000 | Non-<br>Controlling<br>Interest<br>RM'000 | Total<br>Equity<br>RM'000 |
| <b>9 months<br/>ended 31st March 2022</b>                    |                            |   |                                |                 |   |                           |
| At 1st July 2021   | 95,147                     | 55  | 186,126                        | 281,328         | 74,146                                    | 355,474                   |
| Profit For The Year  | -                          | -   | 42,202                         | 42,202          | 36,580                                    | 78,782                    |
| Foreign Currency Translation                                 | -                          | 24  | -                              | 24              | 47  | 71                        |
| Total Comprehensive Income                                   | -                          | 24  | 42,202                         | 42,226          | 36,627                                    | 78,853                    |
| Dividend Paid  | -                          | -   | (19,440)                       | (19,440)        | -   | (19,440)                  |
| Dividend Paid To Non-Controlling<br>Interest of A Subsidiary | -                          | -   | -                              | -               | (34,540)                                  | (34,540)                  |
| At 31st March 2022   | 95,147                     | 79  | 208,888                        | 304,114         | 76,233                                    | 380,347                   |
| <b>9 months<br/>ended 31st March 2021</b>                    |                            |   |                                |                 |   |                           |
| At 1st July 2020   | 95,147                     | 156   | 132,360                        | 227,663         | 40,134                                    | 267,797                   |
| Profit For The Year  | -                          | -   | 47,907                         | 47,907          | 29,305                                    | 77,212                    |
| Foreign Currency Translation                                 | -                          | (104)   | -                              | (104)           | (70)                                      | (174)                     |
| Total Comprehensive Income                                   | -                          | (104)   | 47,907                         | 47,803          | 29,235                                    | 77,038                    |
| Dividend Paid To Non-Controlling<br>Interest of A Subsidiary | -                          | -   | (16,200)                       | (16,200)        | (8,690)                                   | (24,890)                  |
| At 31st March 2021   | 95,147                     | 52  | 164,067                        | 259,266         | 60,679                                    | 319,945                   |

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 2021 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>31.03.2022<br>RM'000 | Corresponding<br>Year To<br>Date Ended<br>31.03.2021<br>RM'000 |
|--|--|--|
| Profit Before Taxation   | 82,530   | 80,250   |
| Adjustment for :-  |  |  |
| Non-Cash Items   | 13,788   | 14,865   |
| Non-Operating Items  | 2,618  | (13,282)   |
| Operating Profit Before Working Capital Changes                          | 98,936   | 81,833   |
| Changes in Working Capital   |  |  |
| Net Change in Current Assets   | 112,981  | (16,824)   |
| Net Change in Current Liabilities  | (33,563)   | 25,860   |
| Cash From Operating Activities   | 178,354  | 90,869   |
| Tax Paid   | (4,474)  | (6,515)  |
| Interest Paid  | (3,402)  | (5,520)  |
| Net Cash From Operating Activities                                       | 170,478  | 78,834   |
| Investing Activities   |  |  |
| Purchase of Property, Plant and Equipment                                | (4,097)  | (5,262)  |
| Proceed From Disposal of Property, Plant and Equipment                   | -  | 222  |
| Interest Received  | 966  | 1,302  |
| Placement of Deposits with Maturity Periods<br>of more than three months | (6,500)  | (5,000)  |
| Net Cash Used In Investing Activities                                    | (9,631)  | (8,738)  |
| Financing Activities   |  |  |
| Dividend Paid to Shareholders  | (19,440)   | (16,200)   |
| Dividend Paid to Non-Controlling Interest in a Subsidiary                | (34,540)   | (8,690)  |
| Net Repayment of Borrowings  | (107,893)  | (79,768)   |
| Net Cash Used In Financing Activities                                    | (161,873)  | (104,658)  |
| Net Decrease in Cash and Cash Equivalents                                | (1,026)  | (34,562)   |
| Net Effect of Exchange Rate Changes on Cash and Cash Equivalents         | 380  | (10)   |
| Cash and Cash Equivalents at beginning of financial year                 | 172,809  | 150,422  |
| Cash and Cash Equivalents at end of financial period                     | 172,163  | 115,850  |
| Cash and cash equivalents carried forward consists of:-                  |  |  |
| Deposits Placed with Financial Institutions                              | 25,550   | 22,700   |
| Short Term Funds   | 64,153   | 48,989   |
| Cash and Bank Balances   | 103,460  | 64,161   |
|  | 193,163  | 135,850  |
| Less: Deposits with maturity more than three months                      | (21,000)   | (20,000)   |
|  | 172,163  | 115,850  |

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2021 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 2021. 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 2021.

The accounting policies and methods of computation adopted by the Group in this condensed interim financial statements are consistent with the audited financial statements for the financial year ended 30th June 2021.

**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 2021 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 2022.

**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 2022       |                               |                                     |                                      |                 |
|--------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|-----------------|
|                                      | 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                              | 754,158                       | 4,825                               | -                                    | 758,983         |
| Operating Profit/(Loss)              | 25,696                        | (570)                               | (1,173)                              | 23,953          |
| Profit/(Loss) Before Tax             | 24,767                        | (586)                               | (1,184)                              | 22,997          |
| <b>Segments assets</b>               |                               |                                     |                                      |                 |
| Total Assets                         | 605,532                       | 28,055                              | 98,546                               | 732,133         |

  

| 3 months ended 31st March 2021       |                               |                                     |                                      |                 |
|--------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|-----------------|
|                                      | 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                              | 835,744                       | 5,973                               | -                                    | 841,717         |
| Operating Profit/(Loss)              | 37,559                        | (253)                               | (1,274)                              | 36,032          |
| Profit/(Loss) Before Tax             | 36,186                        | (268)                               | (1,288)                              | 34,630          |
| <b>Segments assets</b>               |                               |                                     |                                      |                 |
| Total Assets                         | 696,842                       | 30,682                              | 69,566                               | 797,090         |

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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT**

**A9 Property, Plant and Equipment**

The value of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2021.

**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>31.03.2022<br>RM'000 |
| Guarantees given by the Company to financial institutions in respect of:- |                               |
| (i) Banking facilities granted to subsidiaries                            | <u>193,744</u>                |

**A13 Capital Commitments**

|                                   |                               |
|-----------------------------------|-------------------------------|
|                                   | As at<br>31.03.2022<br>RM'000 |
| Authorised and contracted for     | <u>212</u>                    |
| Authorised but not contracted for | <u>-</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     |                        |                   |               |
|-------------------|------------------------|------------------------|-------------------|---------------|------------------------|------------------------|-------------------|---------------|
|                   | 3rd Qtr 2022<br>RM'000 | 3rd Qtr 2021<br>RM'000 | Changes<br>RM'000 | Variance<br>% | 3rd Qtr 2022<br>RM'000 | 3rd Qtr 2021<br>RM'000 | Changes<br>RM'000 | Variance<br>% |
| Revenue           | 758,983                | 841,717                | (82,734)          | -10%          | 2,782,111              | 2,244,402              | 537,709           | 24%           |
| Operating Profit  | 23,953                 | 36,032                 | (12,079)          | -34%          | 85,932                 | 85,770                 | 162               | 0%            |
| Profit before tax | 22,997                 | 34,630                 | (11,633)          | -34%          | 82,530                 | 80,250                 | 2,280             | 3%            |
| Profit after tax  | 22,004                 | 32,926                 | (10,922)          | -33%          | 78,782                 | 77,212                 | 1,570             | 2%            |

The revenue for the current quarter is lower than the corresponding quarter of the previous year due to the 30% drop in exported FCLs, which was supported by the over 50% increase in average olein prices and 1.5% appreciation of the USD against the RM.

Operating profit declined due to the higher realised forex losses and unrealised losses from our derivative forward sales contracts arising from the 1.5% appreciation of the USD. The record average olein prices at \$1,547 per metric tonne contributed to the 30% drop in exported FCLs as our end destination customers were cautious and held back on stocking up during the usual pre-Ramadhan period. Furthermore, we are more selective with the customers and destination markets we sell to in order to minimise risks of sales contract defaults in the event of a price crash whilst the cargo is enroute.

### B2 Variation of Results Against Preceding Quarter

| Description       | 3rd Qtr 2022<br>RM'000 | 2nd Qtr 2022<br>RM'000 | Changes<br>RM'000 | Variance<br>% |
|-------------------|------------------------|------------------------|-------------------|---------------|
| Revenue           | 758,983                | 958,780                | (199,797)         | -21%          |
| Operating Profit  | 23,953                 | 31,523                 | (7,570)           | -24%          |
| Profit before tax | 22,997                 | 30,394                 | (7,397)           | -24%          |
| Profit after tax  | 22,004                 | 29,437                 | (7,433)           | -25%          |

For the current quarter, revenue decreased by 21% due to the 17% drop in exported FCLs which was supported by the 18% increase in average olein prices.

Operating profit declined due to the higher realised forex losses and higher realised & unrealised losses from our derivative forward sales contracts arising from the 0.7% appreciation of the USD against the RM as compared to the preceding 2nd Qtr 2022.

### 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   |                      |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                      | 31.03.2022<br>RM'000 | 31.03.2021<br>RM'000 | 31.03.2022<br>RM'000 | 31.03.2021<br>RM'000 |
| Taxation comprises:-                 |                      |                      |                      |                      |
| - Income Tax                         |                      |                      |                      |                      |
| Current Period                       | 1,127                | 989                  | 3,882                | 3,395                |
| Under/(Over) provision in prior year | (134)                | 715                  | (134)                | (336)                |
| - Deferred Tax                       | -                    | -                    | -                    | (21)                 |
|                                      | <u>993</u>           | <u>1,704</u>         | <u>3,748</u>         | <u>3,038</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 March 2022 are as follows:

|             | Secured<br>RM'000 | Unsecured<br>RM'000 | Total<br>RM'000 |
|-------------|-------------------|---------------------|-----------------|
| Current     | 187,920           | -                   | 187,920         |
| Non-Current | 1,106             | -                   | 1,106           |
|             | <u>189,026</u>    | <u>-</u>            | <u>189,026</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 and commodity forward contracts are as follows:-

| Type of Derivatives      | Quarter Ended        |                      |
|--------------------------|----------------------|----------------------|
|                          | 31.03.2022<br>RM'000 | 31.03.2021<br>RM'000 |
| <b>Forward Contracts</b> |                      |                      |
| Less than 1 year         |                      |                      |
| Contract/Notional Value  | 957,804              | 1,006,553            |
| Fair Value               | 1,378                | 1,557                |

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 2021 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 2022.

### B11 Earnings Per Share

|   | Quarter Ended |            | Year To Date Ended |            |
|---|---------------|------------|--------------------|------------|
|   | 31.03.2022    | 31.03.2021 | 31.03.2022         | 31.03.2021 |
| Profit attributable to equity holders of the Company (RM'000) | 13,378        | 20,434     | 42,202             | 47,907     |
| Weighted average number of ordinary shares in issue ('000)    | 162,000       | 162,000    | 162,000            | 162,000    |
| Basic earnings per share (sen)                                | 8.26          | 12.61      | 26.05              | 29.57      |