

Quarterly Report on consolidated results for the third financial quarter ended 31st March 2021

 Quarterly report on consolidated results for the third financial quarter ended 31st March 2021.  
 The figures have not been audited.

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.03.2021 RM'000	Quarter Ended 31.03.2020 RM'000	Year To Date Ended 31.03.2021 RM'000	Year To Date Ended 31.03.2020 RM'000
Revenue	841,717	722,529	2,244,402	1,827,806
Cost of Sales	<u>(787,758)</u>	<u>(680,862)</u>	<u>(2,116,038)</u>	<u>(1,714,746)</u>
Gross Profit	53,959	41,667	128,364	113,060
Other Operating Income	(702)	10,904	19,375	8,005
Selling and Distribution Costs	(3,778)	(4,988)	(11,869)	(12,982)
Administrative Expenses	(13,447)	(11,023)	(50,100)	(43,333)
Other Expenses	-	(30,589)	-	(20,062)
Finance Costs	<u>(1,402)</u>	<u>(3,089)</u>	<u>(5,520)</u>	<u>(7,282)</u>
<b>Profit Before Tax</b>	34,630	2,882	80,250	37,406
Tax Expense	<u>(1,704)</u>	<u>(1,037)</u>	<u>(3,038)</u>	<u>(4,280)</u>
<b>Profit for the Period</b>	32,926	1,845	77,212	33,126
<b>Other Comprehensive Income, net of tax</b>	<u>267</u>	<u>346</u>	<u>(174)</u>	<u>277</u>
<b>Total Comprehensive Income</b>	<u>33,193</u>	<u>2,191</u>	<u>77,038</u>	<u>33,403</u>
<b>Profit Attributable to :</b>				
Owners of the parent	20,434	1,172	47,837	22,130
Non-Controlling Interest	<u>12,492</u>	<u>673</u>	<u>29,375</u>	<u>10,996</u>
	<u>32,926</u>	<u>1,845</u>	<u>77,212</u>	<u>33,126</u>
Basic earnings per share attributable to equity holders of the Company (sen)	<u>12.61</u>	<u>0.72</u>	<u>29.53</u>	<u>13.66</u>
<b>Total Comprehensive Income Attributable to:</b>				
Owners of the parent	20,771	1,545	47,733	22,298
Non-Controlling Interest	<u>12,422</u>	<u>646</u>	<u>29,305</u>	<u>11,105</u>
	<u>33,193</u>	<u>2,191</u>	<u>77,038</u>	<u>33,403</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 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited as at 31.03.2021 RM'000	Audited as at 30.06.2020 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	75,737	77,375
Right-Of-Use Assets	18,561	21,704
Intangible Assets	11,261	11,261
Other Investment	10	10
Deferred Tax Assets	1	-
	<u>105,570</u>	<u>110,350</u>
<b>Current Assets</b>		
Inventories	65,256	58,586
Trade Receivables	457,878	444,992
Other Receivables	20,172	23,747
Current Tax Assets	4,411	1,315
Derivative Assets	7,953	664
Deposits With Licensed Banks	22,700	27,220
Short Term Funds	48,989	-
Cash and Bank Balances	64,161	138,202
	<u>691,520</u>	<u>694,726</u>
<b>TOTAL ASSETS</b>	<u>797,090</u>	<u>805,076</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share Capital	95,147	95,147
Reserves	164,119	132,516
	<u>259,266</u>	<u>227,663</u>
<b>Non-Controlling Interests</b>	60,679	40,134
<b>Total Equity</b>	<u>319,945</u>	<u>267,797</u>
<b>Non-Current Liabilities</b>		
Long Term Loans	5,214	9,021
Retirement Benefit Obligations	550	538
Lease Liabilities	5,135	6,642
Deferred Tax Liabilities	978	999
	<u>11,877</u>	<u>17,200</u>
<b>Current Liabilities</b>		
Trade Payables	89,200	81,858
Other Payables	75,606	57,089
Derivative Liabilities	6,396	12,185
Lease Liabilities	1,479	2,405
Bank Borrowings	292,587	366,115
Current Tax Liabilities	-	427
	<u>465,268</u>	<u>520,079</u>
<b>Total Liabilities</b>	<u>477,145</u>	<u>537,279</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>797,090</u>	<u>805,076</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.60	1.41

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 2020 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			
<b>9 months ended 31st March 2021</b>						
At 1st July 2020	95,147	156	132,360	227,663	40,134	267,797
Profit For The Period	-	-	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 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
<b>9 months ended 31st March 2020</b>						
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 March 2020	95,147	207	124,376	219,730	37,613	257,343

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 2020 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Current Year To Date Ended 31.03.2021 RM'000	Corresponding Year To Date Ended 31.03.2020 RM'000
Profit Before Taxation	80,250	37,406
Adjustment for :-		
Non-Cash Items	14,865	15,464
Non-Operating Items	<u>(13,282)</u>	<u>19,979</u>
Operating Profit Before Working Capital Changes	81,833	72,849
Changes in Working Capital		
Net Change in Current Assets	(16,824)	(165,300)
Net Change in Current Liabilities	<u>25,860</u>	<u>(8,866)</u>
Cash From/(Used In) Operating Activities	90,869	(101,317)
Tax Paid	(6,515)	(1,905)
Interest Paid	<u>(5,520)</u>	<u>(7,282)</u>
Net Cash From/(Used In) Operating Activities	<u>78,834</u>	<u>(110,504)</u>
Investing Activities		
Purchase of Property, Plant and Equipment	(5,262)	(15,649)
Interest Received	1,302	1,275
Uplift/(Placement) of Deposits with Maturity Periods of more than three months	(5,000)	7,000
Proceeds from Sale of Property, Plant and Equipment	<u>222</u>	<u>200</u>
Net Cash Used In Investing Activities	<u>(8,738)</u>	<u>(7,174)</u>
Financing Activities		
Dividend Paid to Shareholders	(16,200)	(12,960)
Dividend Paid to Non-Controlling Interest in a Subsidiary	(8,690)	(5,225)
Net (Repayment)/Drawdown of Borrowings	<u>(79,768)</u>	<u>172,304</u>
Net Cash (Used In)/From Financing Activities	<u>(104,658)</u>	<u>154,119</u>
Net (Decrease)/Increase in Cash and Cash Equivalents	(34,562)	36,441
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	(10)	255
Cash and Cash Equivalents at beginning of financial year	150,422	99,826
Cash and Cash Equivalents at end of financial period	<u>115,850</u>	<u>136,522</u>
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	22,700	14,500
Short Term Funds	48,989	41,850
Cash and Bank Balances	64,161	93,249
Bank Overdraft	-	(77)
	<u>135,850</u>	<u>149,522</u>
Less: Deposits with maturity more than three months	<u>(20,000)</u>	<u>(13,000)</u>
	<u>115,850</u>	<u>136,522</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 2020 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 2020. 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 2020.

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 2020.

**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 2020 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 2021.

**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 2021			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total 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

	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
<b>Segments revenues and results</b>				
Revenue	717,934	4,595	-	722,529
Operating Profit/(Loss)	7,478	(601)	(906)	5,971
Profit/(Loss) Before Tax	4,398	(604)	(912)	2,882
<b>Segments assets</b>				
Total Assets	688,004	31,480	59,038	778,522

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**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 2020.

**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 31.03.2021 RM'000
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	<u>297,801</u>

**A13 Capital Commitments**

	As at 31.03.2021 RM'000
Authorised and contracted for	<u>9,465</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 2021 RM'000	3rd Qtr 2020 RM'000	Changes RM'000	Variance %	3rd Qtr 2021 RM'000	3rd Qtr 2020 RM'000	Changes RM'000	Variance %
Revenue	841,717	722,529	119,188	16%	2,244,402	1,827,806	416,596	23%
Operating Profit	36,032	5,971	30,061	503%	85,770	44,688	41,082	92%
Profit before tax	34,630	2,882	31,748	1102%	80,250	37,406	42,844	115%
Profit after tax	32,926	1,845	31,081	1685%	77,212	33,126	44,086	133%

The higher revenue for the current quarter is mainly due to the almost 50% rise in olein prices as compared to the corresponding quarter of the previous financial year. The higher revenue is despite an almost 4% drop in FCLs exported and 3% strengthening of the Ringgit Malaysia against the US Dollars.

Operating margins for the current quarter improved as compared to the corresponding quarter previous year due to favourable purchase costs of materials and premium pricing brought on by high demand for immediate delivery at market destinations. This was as a result of reduced soft oil stocks and rising soyabean oil prices which widen the premium to olein prices which led to higher demand for olein.

**B2 Variation of Results Against Preceding Quarter**

Description	3rd Qtr 2021 RM'000	2nd Qtr 2021 RM'000	Changes RM'000	Variance %
Revenue	841,717	680,295	161,422	24%
Operating Profit	36,032	26,550	9,482	36%
Profit before tax	34,630	25,087	9,543	38%
Profit after tax	32,926	22,182	10,744	48%

For the current quarter, revenue increased by 24% as compared to the preceding quarter due to a 6% higher export of FCLs and 20% increase in olein prices.

Operating margins for the current quarter improved due to premium pricing brought on by high demand for immediate deliveries at market destinations.

**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	
	31.03.2021 RM'000	31.03.2020 RM'000	31.03.2021 RM'000	31.03.2020 RM'000
Taxation comprises:-				
- Income Tax				
Current Period	989	1,144	3,395	4,411
Under/(Over) provision in prior year	715	(90)	(336)	(90)
- Deferred Tax	-	(17)	(21)	(41)
	<u>1,704</u>	<u>1,037</u>	<u>3,038</u>	<u>4,280</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 and for a prior year's adjustment.

**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 2021 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	292,587	-	292,587
Non-Current	5,214	-	5,214
	<u>297,801</u>	<u>-</u>	<u>297,801</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	
	31.03.2021 RM'000	31.03.2020 RM'000
<b>Forward Contracts</b>		
Less than 1 year		
Contract/Notional Value	1,006,553	877,266
Fair Value	1,557	(23,728)

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 2020 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 2021.

**B11 Earnings Per Share**

	Quarter Ended		Year To Date Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Profit attributable to equity holders of the Company (RM'000)	20,434	1,172	47,837	22,130
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	12.61	0.72	29.53	13.66