



Quarterly Report on consolidated results for the second financial quarter ended 31st December 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 Ended 31.12.2022 RM'000	Quarter Ended 31.12.2021 RM'000	Year To Date Ended 31.12.2022 RM'000	Year To Date Ended 31.12.2021 RM'000
Revenue	1,338,549	958,780	2,868,259	2,023,128
Cost of Sales	<u>(1,244,524)</u>	<u>(903,994)</u>	<u>(2,698,077)</u>	<u>(1,908,757)</u>
Gross Profit	94,025	54,786	170,182	114,371
Other Operating Income	1,840	754	2,947	1,436
Selling and Distribution Costs	(7,172)	(3,271)	(13,569)	(7,367)
Administrative Expenses	(24,098)	(20,746)	(55,099)	(46,461)
Finance Costs	<u>(4,368)</u>	<u>(1,129)</u>	<u>(8,361)</u>	<u>(2,446)</u>
Profit Before Tax	60,227	30,394	96,100	59,533
Tax Expense	<u>(1,609)</u>	<u>(957)</u>	<u>(2,661)</u>	<u>(2,755)</u>
Profit for the Period	58,618	29,437	93,439	56,778
Other Comprehensive Income, net of tax	<u>(729)</u>	<u>60</u>	<u>(89)</u>	<u>5</u>
Total Comprehensive Income	<u>57,889</u>	<u>29,497</u>	<u>93,350</u>	<u>56,783</u>
Profit Attributable to :				
Owners of the parent	37,178	16,219	58,002	28,777
Non-Controlling Interest	<u>21,440</u>	<u>13,218</u>	<u>35,437</u>	<u>28,001</u>
	<u>58,618</u>	<u>29,437</u>	<u>93,439</u>	<u>56,778</u>
Basic earnings per share attributable to equity holders of the Company (sen)	<u>22.95</u>	<u>10.01</u>	<u>35.80</u>	<u>17.76</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	36,741	16,255	57,949	28,780
Non-Controlling Interest	<u>21,148</u>	<u>13,242</u>	<u>35,401</u>	<u>28,003</u>
	<u>57,889</u>	<u>29,497</u>	<u>93,350</u>	<u>56,783</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 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31.12.2022 RM'000	Audited as at 30.06.2022 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	108,784	72,167
Right-Of-Use Assets	12,364	15,450
Intangible Assets	17,261	17,261
Other Investment	10	10
	<u>138,419</u>	<u>104,888</u>
Current Assets		
Inventories	75,836	109,635
Trade Receivables	624,512	608,926
Other Receivables	13,846	58,692
Current Tax Assets	6,136	6,097
Derivative Assets	4,293	19,368
Deposits With Licensed Banks	20,200	39,730
Short Term Funds	87,048	-
Cash and Bank Balances	143,717	202,138
	<u>975,588</u>	<u>1,044,586</u>
TOTAL ASSETS	<u>1,114,007</u>	<u>1,149,474</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	95,147	95,147
Reserves	272,155	233,646
	<u>367,302</u>	<u>328,793</u>
Non-Controlling Interests	112,197	85,596
Total Equity	<u>479,499</u>	<u>414,389</u>
Non-Current Liabilities		
Long Term Loans	3,253	1,942
Retirement Benefit Obligations	201	223
Lease Liabilities	1,552	4,555
Deferred Tax Liabilities	877	781
	<u>5,883</u>	<u>7,501</u>
Current Liabilities		
Trade Payables	92,200	138,729
Other Payables	139,032	147,269
Derivative Liabilities	11,458	36,674
Lease Liabilities	2,108	1,592
Bank Borrowings	382,493	401,957
Current Tax Liabilities	1,334	1,363
	<u>628,625</u>	<u>727,584</u>
Total Liabilities	<u>634,508</u>	<u>735,085</u>
TOTAL EQUITY AND LIABILITIES	<u>1,114,007</u>	<u>1,149,474</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.27	2.03

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Non- Distributable	Distributable	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
		Foreign Exchange Reserve RM'000	Retained Earnings RM'000			
6 months ended 31st December 2022						
At 1st July 2022	95,147	473	233,173	328,793	85,596	414,389
Profit For The Year	-	-	58,002	58,002	35,437	93,439
Foreign Currency Translation	-	(53)	-	(53)	(36)	(89)
Total Comprehensive Income	-	(53)	58,002	57,949	35,401	93,350
Dividend Paid	-	-	(19,440)	(19,440)	-	(19,440)
Dividend Paid To Non-Controlling Interest of A Subsidiary	-	-	-	-	(8,800)	(8,800)
At 31st December 2022	95,147	420	271,735	367,302	112,197	479,499
6 months ended 31st December 2021						
At 1st July 2021	95,147	55	186,126	281,328	74,146	355,474
Profit For The Year	-	-	28,777	28,777	28,001	56,778
Foreign Currency Translation	-	3	-	3	2	5
Total Comprehensive Income	-	3	28,777	28,780	28,003	56,783
Dividend Paid	-	-	(19,440)	(19,440)	-	(19,440)
Dividend Paid To Non-Controlling Interest of A Subsidiary	-	-	-	-	(14,190)	(14,190)
At 31st December 2021	95,147	58	195,463	290,668	87,959	378,627

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date Ended 31.12.2022 RM'000	Corresponding Year To Date Ended 31.12.2021 RM'000
Profit Before Taxation	96,100	59,533
Adjustment for :-		
Non-Cash Items	(15,559)	9,263
Non-Operating Items	(9,653)	(3,950)
Operating Profit Before Working Capital Changes	70,888	64,846
Changes in Working Capital		
Net Change in Current Assets	90,357	1,737
Net Change in Current Liabilities	(51,880)	(50,509)
Cash From Operating Activities	109,365	16,074
Contribution Paid for Retirement Benefits	(22)	-
Tax Paid	(2,615)	(3,047)
Interest Paid	(8,361)	(2,446)
Net Cash From Operating Activities	98,367	10,581
Investing Activities		
Purchase of Property, Plant and Equipment	(40,794)	(3,619)
Interest Received	1,562	770
Placement of Deposits with Maturity Periods of more than three months	(6,000)	(6,500)
Proceeds from Disposal of Property, Plant and Equipment	494	36
Net Cash Used In Investing Activities	(44,738)	(9,313)
Financing Activities		
Dividend Paid to Shareholders	(19,440)	(19,440)
Dividend Paid to Non-Controlling Interest in a Subsidiary	(8,800)	(14,190)
Net Drawdown/(Repayment) of Borrowings	(20,637)	(12,206)
Net Cash Used In Financing Activities	(48,877)	(45,836)
Net Increase/(Decrease) in Cash and Cash Equivalents	4,752	(44,568)
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	(1,655)	173
Cash and Cash Equivalents at beginning of financial year	226,868	172,809
Cash and Cash Equivalents at end of financial period	229,965	128,414
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	20,200	25,850
Short Term Funds	87,048	50,542
Cash and Bank Balances	143,717	73,022
	250,965	149,414
Less: Deposits with maturity more than three months	(21,000)	(21,000)
	229,965	128,414

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2022 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 2022. 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 2022.

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 2022.

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 2022 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 12 sen per ordinary share in respect of financial year ended 30th June 2022 amounting to RM19,440, 000.00 was paid on 11th October 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 December 2022			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	1,333,193	5,356	-	1,338,549
Operating Profit/(Loss)	65,722	(402)	(725)	64,595
Profit/(Loss) Before Tax	61,374	(414)	(733)	60,227
Segments assets				
Total Assets	979,127	26,315	108,565	1,114,007

	3 months ended 31st December 2021			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	953,713	5,067	-	958,780
Operating Profit/(Loss)	32,955	(362)	(1,070)	31,523
Profit/(Loss) Before Tax	31,847	(373)	(1,080)	30,394
Segments assets				
Total Assets	708,444	28,156	(76,484)	660,116

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 2022.

A10 Subsequent Material Events

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

A11 Changes in the Composition of the Group

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

A12 Changes in Contingent Liabilities

The contingent liabilities of the Company are as follows:-

	As at 31.12.2022 RM'000
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	385,746

A13 Capital Commitments

	As at 31.12.2022 RM'000
Authorised and contracted for	-
Authorised but not contracted for	-

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 2023 RM'000	2nd Qtr 2022 RM'000	Changes RM'000	Variance %	2nd Qtr 2023 RM'000	2nd Qtr 2022 RM'000	Changes RM'000	Variance %
Revenue	1,338,549	958,780	379,769	40%	2,868,259	2,023,128	845,131	42%
Operating Profit	64,595	31,523	33,072	105%	104,461	61,979	42,482	69%
Profit before tax	60,227	30,394	29,833	98%	96,100	59,533	36,567	61%
Profit after tax	58,618	29,437	29,181	99%	93,439	56,778	36,661	65%

The revenue for the current quarter is 40% higher than the corresponding previous year's quarter due to increase in demand mainly from Middle East and African regions. However, the decrease in average RBD Palm Olein prices has moderated the increase in total revenue.

Operating profit increased by 105% in line with the increase in sales in Q2 FY23 with better margin traded, The lower container freight rates in Q2 FY23 has also resulted in an increased in profit. In addition, the USD/RM average forex rate increased significantly which contribute to higher realised gain in foreign exchange and derivatives.

B2 Variation of Results Against Preceding Quarter

Description	2nd Qtr 2023 RM'000	1st Qtr 2023 RM'000	Changes RM'000	Variance %
Revenue	1,338,549	1,529,710	(191,161)	-12%
Operating Profit	64,595	39,865	24,730	62%
Profit before tax	60,227	35,872	24,355	68%
Profit after tax	58,618	34,820	23,798	68%

For the current quarter, revenue decreased by 12% against Q1FY23 despite the fact that the total sales volume increased by 14% in Q2 FY23 as compared to Q1 FY23. This is mainly due to decrease in average RBD Palm Olein prices. The increase in total deliveries is due to increase in demand for cooking oil mainly in Middle East and African regions. The lower container freight rates has also resulted in the increase in demand for period under review.

Operating profit increased this Q2FY23 against the preceding Q1FY23 as better margin was traded in Q2 FY23 and lower of the freight costs. The USD/RM average forex rate increased by 2% which resulted in higher realized gain in foreign exchange and derivatives.

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	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Taxation comprises:-				
- Income Tax				
Current Period	1,609	957	2,670	2,755
Overprovision in prior year	-	-	(60)	-
- Deferred Tax	-	-	51	-
	<u>1,609</u>	<u>957</u>	<u>2,661</u>	<u>2,755</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 2022 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	382,493	-	382,493
Non-Current	3,253	-	3,253
	<u>385,746</u>	<u>-</u>	<u>385,746</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	
	31.12.2022 RM'000	31.12.2021 RM'000
Forward Contracts		
Less than 1 year		
Contract/Notional Value	883,089	856,828
Fair Value	(7,165)	7,910

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 2022 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 2022.

B11 Earnings Per Share

	Quarter Ended		Year To Date Ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Profit attributable to equity holders of the Company (RM'000)	37,178	16,219	58,002	28,777
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	22.95	10.01	35.80	17.76