

ES CERAMICS TECHNOLOGY BHD
Registration No: 200301024697 (627117-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 29 FEBRUARY 2020**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|---------------------------------------|---|---|---|
| | CURRENT QUARTER ENDED 29-Feb-20 | CORRESPONDING QUARTER ENDED 28-Feb-19 | CURRENT YEAR TO DATE ENDED 29-Feb-20 | CORRESPONDING YEAR TO DATE ENDED 28-Feb-19 |
| | RM | RM | RM | RM |
| Revenue | <u>8,949,822</u> | <u>8,326,229</u> | <u>26,651,428</u> | <u>23,102,851</u> |
| Operating profit / (loss) | 1,064,368 | (154,443) | 3,978,721 | 1,080,309 |
| Finance costs | (2,881) | (3,689) | (9,498) | (7,545) |
| Depreciation and amortisation | (495,764) | (473,140) | (1,473,591) | (1,394,434) |
| Interest income | 87,690 | 48,929 | 200,801 | 232,318 |
| Profit/(Loss) before taxation | <u>653,413</u> | <u>(582,343)</u> | <u>2,696,433</u> | <u>(89,352)</u> |
| Taxation | (222) | (261) | (680) | 366 |
| Profit/(Loss) for the period | <u>653,191</u> | <u>(582,604)</u> | <u>2,695,753</u> | <u>(88,986)</u> |
| Other comprehensive income : | | | | |
| Foreign exchange translation difference | (162,850) | 242,423 | 775,836 | 439,382 |
| Total comprehensive income/(expense) for the period | <u>490,341</u> | <u>(340,181)</u> | <u>3,471,589</u> | <u>350,396</u> |
| Profit/(Loss) Attributable to : | | | | |
| Equity holders of the parent | 653,191 | (582,604) | 2,695,753 | (88,986) |
| Non-Controlling Interest | - | - | - | - |
| | <u>653,191</u> | <u>(582,604)</u> | <u>2,695,753</u> | <u>(88,986)</u> |
| Total comprehensive income/(expense) attributable to: | | | | |
| Equity holders of the parent | 490,341 | (340,181) | 3,471,589 | 350,396 |
| Non-Controlling Interest | - | - | - | - |
| | <u>490,341</u> | <u>(340,181)</u> | <u>3,471,589</u> | <u>350,396</u> |
| Earnings per share (sen) | | | | |
| - Basic | <u>0.32</u> | <u>(0.28)</u> | <u>1.31</u> | <u>(0.04)</u> |
| - Diluted | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |

(The condensed consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2019)

ES CERAMICS TECHNOLOGY BHD

Registration No: 200301024697 (627117-P)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 29 FEBRUARY 2020

| | AS AT 29-Feb-20 (UNAUDITED) | AS AT 31-May-19 (AUDITED) |
|---|-----------------------------------|---------------------------------|
| | RM | RM |
| ASSETS | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 21,761,449 | 21,629,011 |
| Intangible Assets | 1,058,493 | 1,101,251 |
| | 22,819,942 | 22,730,262 |
| Current Assets | | |
| Inventories | 4,813,343 | 4,626,617 |
| Trade & Other Receivables | 8,666,632 | 8,748,741 |
| Current Tax Asset | 10 | 258,452 |
| Cash and Cash Equivalents | 19,628,476 | 19,123,075 |
| | 33,108,461 | 32,756,885 |
| TOTAL ASSETS | 55,928,403 | 55,487,147 |
| EQUITY AND LIABILITIES | | |
| Equity Attributable to Equity Holders of the Parent | | |
| Share Capital | 22,911,311 | 22,911,311 |
| Capital Reserve | 781,976 | 732,561 |
| Exchange Reserve | 7,008,898 | 6,233,062 |
| Retained Profit | 21,972,195 | 20,509,533 |
| | 52,674,380 | 50,386,467 |
| Non-controlling interest | - | - |
| TOTAL EQUITY | 52,674,380 | 50,386,467 |
| LIABILITIES | | |
| Non-Current Liabilities | | |
| Hire Purchase Payables | 123,471 | 52,019 |
| Employee Benefit Obligation | 38,850 | 37,878 |
| Term Loan | 205,737 | 225,489 |
| | 368,058 | 315,386 |
| Current Liabilities | | |
| Trade and Other Payables | 2,826,747 | 4,753,875 |
| Hire Purchase Payables | 36,874 | 19,747 |
| Term Loan | 22,344 | 11,672 |
| | 2,885,965 | 4,785,294 |
| TOTAL LIABILITIES | 3,254,023 | 5,100,680 |
| TOTAL EQUITY AND LIABILITIES | 55,928,403 | 55,487,147 |
| Net assets per share attributable to ordinary equity holders of the parent (sen) | 26 | 25 |

(The condensed consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2019)

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Attributable to Owners of the Parent | | | | | Total Equity RM |
|---|--------------------------------------|------------------------|--------------------------|---------------------------|---------------------------|--------------------|
| | Share Capital RM | Share Premium RM | Capital Reserve RM | Exchange Reserve RM | Retained Profits RM | |
| Balance at 1 Jun 2019 | 22,911,311 | - | 732,561 | 6,233,062 | 20,509,533 | 50,386,467 |
| Issue of Shares | | | | | | - |
| Total comprehensive income for the period | | - | 49,415 | 775,836 | 2,695,753 | 3,521,004 |
| Dividends paid | | | | | (1,233,091) | (1,233,091) |
| Balance at 29 February 2020 | 22,911,311 | - | 781,976 | 7,008,898 | 21,972,195 | 52,674,380 |

For the Corresponding Quarter Ended 28 February 2019

| | Attributable to Owners of the Parent | | | | | Total Equity RM |
|---|--------------------------------------|------------------------|--------------------------|---------------------------|---------------------------|--------------------|
| | Share Capital RM | Share Premium RM | Capital Reserve RM | Exchange Reserve RM | Retained Profits RM | |
| Balance at 1 Jun 2018 | 20,551,510 | 2,359,801 | 715,680 | 4,287,838 | 20,956,381 | 48,871,210 |
| Issue of Shares | | | | | | - |
| Total comprehensive income for the period | | - | - | 439,382 | (88,986) | 350,396 |
| Dividends paid | | | | | (1,233,091) | (1,233,091) |
| Balance at 28 February 2019 | 20,551,510 | 2,359,801 | 715,680 | 4,727,220 | 19,634,304 | 47,988,515 |

(The condensed consolidated Statement of changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2019)

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

| | CURRENT QUARTER ENDED 29-Feb-20 | PRECEDING YEAR QUARTER ENDED 28-Feb-19 |
|---|--|---|
| | RM | RM |
| Cash flows from operating activities | | |
| Profit before taxation | 2,696,433 | (89,352) |
| Adjustments for :- | | |
| Depreciation, amortisation and impairment losses | 1,473,591 | 1,394,434 |
| Interest income and expenses | (191,303) | (224,773) |
| Other non-cash items | 49,415 | (424,000) |
| Operating profit before changes in working capital | <u>4,028,136</u> | <u>656,309</u> |
| Changes in working capital: | | |
| Net change in inventories | (186,726) | (722,331) |
| Net change in receivables | 1,411,615 | (625,055) |
| Net change in payables | <u>(1,927,128)</u> | <u>(3,157,808)</u> |
| Cash flow from operations | <u>3,325,897</u> | <u>(3,848,885)</u> |
| Finance costs | (9,498) | (7,545) |
| Income tax refunded/(paid) | <u>(680)</u> | <u>87,056</u> |
| Net cash flows from operating activities | <u><u>3,315,719</u></u> | <u><u>(3,769,374)</u></u> |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (2,094,128) | (1,210,346) |
| Interest income | 200,801 | 232,318 |
| Proceeds from disposal of property, plant and equipment | <u>6,790</u> | <u>77,268</u> |
| Net cash used in investing activities | <u><u>(1,886,537)</u></u> | <u><u>(900,760)</u></u> |
| Cash flows from financing activities | | |
| Dividends paid | (1,233,091) | (1,233,091) |
| Drawdown / (Repayment) of term loan | (9,080) | 240,071 |
| Drawdown / (Repayment) of hire purchase | <u>88,579</u> | <u>(53,403)</u> |
| Net cash flows from financing activities | <u><u>(1,153,592)</u></u> | <u><u>(1,046,423)</u></u> |
| Net increase / (decrease) in cash and cash equivalents | 275,590 | (5,716,557) |
| Cash and cash equivalents at beginning of the year | 19,123,075 | 22,743,673 |
| Effect of changes in foreign exchange rates | 229,811 | 154,780 |
| Cash and cash equivalents at end of period | <u><u>19,628,476</u></u> | <u><u>17,181,896</u></u> |

(The condensed consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the year ended 31 May 2019)