

**Condensed Unaudited Consolidated Statement of Financial Position  
As at 31 July 2016**

	<b>As at 31.7.2016 RM'000 (Unaudited)</b>	<b>As at 31.01.2016 RM'000 (Audited)</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	110,648	90,075
<b>Current assets</b>		
Inventories	26,803	23,848
Trade receivables	41,150	32,175
Other receivables, deposits and prepayments	17,471	5,155
Derivative financial assets	102	515
Tax recoverable	-	29
Cash and cash equivalents	22,217	47,888
	<u>107,743</u>	<u>109,610</u>
<b>Total assets</b>	<u>218,391</u>	<u>199,685</u>
<b>Equity attributable to owners of the company</b>		
Share capital	55,879	55,879
Reserves	134,268	124,864
	<u>190,147</u>	<u>180,743</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,280	1,394
<b>Current liabilities</b>		
Trade payables	18,248	11,014
Other payables and accruals	8,633	6,534
Provision for taxation	83	-
	<u>26,964</u>	<u>17,548</u>
<b>Total liabilities</b>	<u>28,244</u>	<u>18,942</u>
<b>Total equity and liabilities</b>	<u>218,391</u>	<u>199,685</u>
Net assets per share attributable to owners of the company (sen)	34	40

The Condensed Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2016.

**Condensed Unaudited Consolidated Statement of Comprehensive Income  
 For the Second Quarter Ended 31 July 2016**

	<b>Current Quarter Ended <u>31.7.2016</u> RM'000 (Unaudited)</b>	<b>Corresponding Quarter Ended <u>31.07.2015</u> RM'000 (Unaudited)</b>	<b>Current YTD Ended <u>31.7.2016</u> RM'000 (Unaudited)</b>	<b>Corresponding YTD Ended <u>31.07.2015</u> RM'000 (Unaudited)</b>
Revenue	63,902	57,344	116,204	109,924
Cost of sales	(55,694)	(50,620)	(100,191)	(97,145)
<b>Gross profit</b>	<b>8,208</b>	<b>6,724</b>	<b>16,013</b>	<b>12,779</b>
<b>Other items of income</b>				
Interest income	212	35	476	38
Other income	12,481	576	13,218	1,071
<b>Other items of expense</b>				
Selling and marketing expenses	(742)	(681)	(1,677)	(1,169)
Administrative expenses	(1,206)	(1,645)	(18,569)	(3,627)
<b>Operating profit</b>	<b>18,953</b>	<b>5,009</b>	<b>9,461</b>	<b>9,092</b>
Finance costs	(21)	(33)	(28)	(57)
<b>Profit before tax</b>	<b>18,932</b>	<b>4,976</b>	<b>9,433</b>	<b>9,035</b>
Taxation	(86)	31	(29)	63
<b>Profit net of tax</b>	<b>18,846</b>	<b>5,007</b>	<b>9,404</b>	<b>9,098</b>
Other comprehensive profit, net of tax	171	181	341	361
<b>Total comprehensive income</b>	<b>19,017</b>	<b>5,188</b>	<b>9,745</b>	<b>9,459</b>
<b>Profit attributable to:</b>				
Owners of the company	<b>18,846</b>	<b>5,007</b>	<b>9,404</b>	<b>9,098</b>
<b>Total comprehensive income attribute to:</b>				
Owners of the company	<b>19,017</b>	<b>5,188</b>	<b>9,745</b>	<b>9,459</b>
<b>Earnings per ordinary share</b>				
<b>attributable to owners of the company (sen)</b>				
- Basic	3.37	1.15	1.68	2.10
- Diluted	3.37	1.15	1.68	2.10

**Condensed Unaudited Consolidated Statement of Changes in Equity  
For the Second Quarter Ended 31 July 2016**

	← Attributable to owners of the company →						Distributable	Total
	← Non-Distributable →							
	Share Capital RM'000	Share Premium RM'000	Share-based Option Reserve RM'000	Warrant Reserves RM'000	Revaluation Reserves RM'000	Other Reserves RM'000	Accumulated Profit RM'000	RM'000
<b>6 Months Ended 31 July 2016</b>								
At 1 February 2016	55,879	72,254	3,042	-	10,054	11,319	28,195	180,743
Profit net of tax	-	-	-	-	-	-	9,404	9,404
Realisation of revaluation reserve	-	-	-	-	(341)	-	341	-
Total comprehensive income	-	-	-	-	(341)	-	9,745	9,404
At 31 July 2016	55,879	72,254	3,042	-	9,713	11,319	37,940	190,147
<b>6 Months Ended 31 July 2015</b>								
At 1 February 2015	43,301	11,121	4,490	10,609	10,776	11,319	3,753	95,369
Profit net of tax	-	-	-	-	-	-	9,098	9,098
Realisation of revaluation reserve	-	-	-	-	(361)	-	361	-
Total comprehensive income	-	-	-	-	(361)	-	9,459	9,098
Exercise of Warrants 2010/2015	113	551	-	(101)	-	-	-	563
At 31 July 2015	43,414	11,672	4,490	10,508	10,415	11,319	13,212	105,030

The Condensed Unaudited Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2016.

**Condensed Unaudited Consolidated Statement of Cash Flow  
 For The Period Ended 31 July 2016**

	<b>Current YTD Ended 31.7.2016 RM'000 (Unaudited)</b>	<b>Corresponding YTD Ended 31.07.2015 RM'000 (Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	9,433	9,035
Adjustments for:		
Non-cash items	4,165	3,051
Property, plant and equipment written off	5,033	-
Inventory written off	7,724	-
Interest expense	28	57
Interest income	(476)	(38)
Operating profit before working capital changes	<u>25,907</u>	<u>12,105</u>
Changes in working capital:		
Net change in current assets	(31,971)	(2,614)
Net change in current liabilities	9,332	5,338
Cash generated from operations	3,268	14,829
Interest paid	(28)	(55)
Tax (paid)/refund	(31)	9
<b>Net cash generated from operating activities</b>	<b><u>3,209</u></b>	<b><u>14,783</u></b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(29,374)	(6,812)
Proceeds from disposal of property, plant and equipment	18	13
Interest received	476	38
<b>Net cash used in investing activities</b>	<b><u>(28,880)</u></b>	<b><u>(6,761)</u></b>
<b>Cash flows from financing activities</b>		
Exercise of Warrants 2010/2015	-	563
Repayment of hire purchase	-	(5)
Interest paid	-	(2)
<b>Net cash generated from financing activities</b>	<b><u>-</u></b>	<b><u>556</u></b>
Net changes in cash and cash equivalents	(25,671)	8,578
Cash and cash equivalents at beginning of the financial year	47,888	10,070
<b>Cash and cash equivalents at end of the financial year</b>	<b><u>22,217</u></b>	<b><u>18,648</u></b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	4,605	13,648
Short term deposits placed with licensed banks	17,612	5,000
	<b><u>22,217</u></b>	<b><u>18,648</u></b>

The Condensed Unaudited Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2016.

## Notes to the unaudited interim financial report

### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2016. These interim financial statements contain selected explanatory notes which provide explanations of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group.

The significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 31 January 2016. The Group have adopted the amendments/improvements to MFRSs that are mandatory for the current financial year. The abovementioned adoptions do not have any significant effect on the financial statements of the Group, and do not result in significant changes to the Group’s existing accounting policies.

### 2. Audit qualifications

The auditors’ reports on the financial statements of the Company for the financial year ended 31 January 2016 were not subject to any qualification.

### 3. Seasonal or cyclical factors

The Group’s operations were not affected by seasonal or cyclical factors.

### 4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year to date because of their nature, size, or incidence.

### 5. Changes in estimates

There were no significant changes in financial estimates reported in prior years that would materially affect the current year report.

## 6. Debt and equity securities

There were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellations, shares held as treasury shares and resale of treasury shares for the current financial year.

## 7. Operating segments

The Group's operating segments for the 6 months period ended 31 July 2016 are as follows:

	<u>Manufacturing</u> RM'000	<u>Investment Holding</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
<b>Revenue</b>				
Total	116,204	-	-	116,204
Inter segment	10,914	-	(10,914)	-
External	<u>127,118</u>	-	<u>(10,914)</u>	<u>116,204</u>
<b>Results</b>				
Segment profit/(loss)	13,469	(217)	115	13,367
Insurance claim receivable				12,143
Interest income				476
Finance costs				(28)
Depreciation				(3,768)
Inventory written off				(7,724)
Property, plant and equipment written off				<u>(5,033)</u>
Profit before tax				9,433
Taxation				<u>(29)</u>
Net profit for the period				<u><u>9,404</u></u>

The Group's operating segments for the 6 months period ended 31 July 2015 are as follows:

	<u>Manufacturing</u> RM'000	<u>Investment Holding</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
<b>Revenue</b>				
Total	108,791	-	14,452	123,243
Inter segment	(13,319)	-	-	(13,319)
External	<u>95,472</u>	-	<u>14,452</u>	<u>109,924</u>
<b>Results</b>				
Segment profit/(loss)	11,787	(356)	613	12,044
Interest income				7
Interest expense				(57)
Depreciation				<u>(2,959)</u>
Profit before tax				9,035
Taxation				<u>63</u>
Net profit for the period				<u><u>9,098</u></u>

**8. Property, plant and equipment**

Property, plant and equipment are stated at valuation/cost less accumulated depreciation and impairment losses. During the current period, plant & machinery, factory buildings and lands are carried at valuation less impairment.

**9. Material Events**

A subsidiary, named Comfort Rubber Gloves Industries Sdn. Bhd. had temporarily ceased its business operations on 4th March 2016 due to a fire outbreak on the new constructed warehouse. Subsequently, the Company resumed its business operations on 7th March 2016. The Company suffered a total loss of RM 12.8 million. An insurance claim settlement of RM 4.4 million has been received to cover the full reconstruction cost of the warehouse. The Group accepted the offer of compensation for inventory loss amounting to RM 7.7 million.

**10. Changes in composition of the Group**

There were no changes in the composition of the Group during the current financial year to-date.

**11. Contingent assets and contingent liabilities**

The Company does not have any material contingent assets and contingent liabilities for the current financial period.

**12. Capital Commitments**

As at 31 July 2016, the Company is not aware of any material commitments contracted or known to be contracted by the Group, which upon becoming enforceable may have a material impact on the profits or net assets of the Group:

Property, plant and equipment	RM'000
- approved and contracted for	7,550
- approved but not contracted for	900
	<u>8,450</u>

The approved and contracted for capital commitments are in relation to the construction of a 3 new production lines.

### 13. Review of performance

	2nd Qtr Ended			Year to Date Ended		
	31/07/16 RM'000	31/07/15 RM'000	Variance %	31/07/16 RM'000	31/07/15 RM'000	Variance %
Revenue	63,902	57,344	11%	116,204	109,924	6%
Cost of sales	(55,694)	(50,620)	10%	(100,191)	(97,145)	3%
Gross profit	8,208	6,724		16,013	12,779	
Gross profit margin	13%	12%		14%	12%	
Profit before tax	18,932	4,976		9,433	9,035	
Add/(Less): Loss suffered due to fire:						
Property, plant and equipment written off	(61)	-		5,033		
Inventory written off	-	-		7,724		
Less: Recovery from insurance claim	(12,143)	-		(12,143)	-	
Revised profit before tax	6,728	4,976	35%	10,047	9,035	11%
Revised net profit margin	11%	9%		9%	8%	

The Group registered sales revenue of RM 63.9 million this quarter which was 11% higher than in 2QYE16. Following the increase in productivity, our marketing team aggressively promoted specialty gloves which were custom made for various applications. Other income of RM 12.5 million included an insurance claim settlement of RM 4.4 million for the reconstruction of a new warehouse and RM 7.7 million as compensation on loss of inventory. The revised operating net profit (excluding the recovery from insurance claim received) was higher by 35%, to RM 6.7 million as compared to 2QYE16 of RM 5 million.

For year to date comparison, the gross profit margin improved by 2% due to better efficiency. The year to date net profit has not increased significantly mainly due to lower sales revenue in the first quarter due to fire outbreak.

### 14. Variation of results against preceding quarter

	Qtr Ended		Variance %
	31/07/16 RM'000	30/04/16 RM'000	
Revenue	63,902	52,302	22%
Cost of sales	(55,694)	(44,497)	25%
Gross profit	8,208	7,805	
Gross profit margin	13%	15%	
Profit before tax	18,932	(9,499)	
Add: Loss suffered due to fire:			
Property, plant and equipment written off	(61)	5,094	
Inventory written off	-	7,724	
Less: Recovery from insurance claim	(12,143)	-	
Revised profit before tax	6,728	3,319	103%
Revised net profit margin	11%	6%	



The profit (after reconciliation of gain or loss due to fire outbreak) for current quarter has doubled as compared to preceding quarter. This was mainly due to lower revenue generated in the preceding quarter due to fire outbreak. In this quarter, the Group has resumed operation as normal and fulfilled customers' orders as scheduled.

#### 15. Current year prospects

The reconstruction of destroyed warehouse and packing building was completed and in used in July 2016. The well-designed layout provides better storage and enhances work-flow of packing and loading.

Currently, 8 new production lines with greater efficiency were fully completed and operated. The productivity is expected increase by 25%. The group foresees gross profit and net profit margin will be further improved due to economies of scale and better handling of processes.

The increased awareness of hygiene and healthcare leads to a constant growth in global market of medical and non-medical applications. Continuous effort is being put in product differentiation after gaining feedback from customers in various industries. The recent glove designs with better grip and convenience are likely to offer better prospects in future and strengthen the Group's competitiveness.

#### 16. Profit forecast or profit guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

#### 17. Taxation

	3 months Ended <u>30.07.16</u>	YTD Ended <u>30.07.16</u>
Deferred taxation	57	121
Taxation	<u>(143)</u>	<u>(150)</u>
	<u>(86)</u>	<u>(29)</u>

**18. Profit before taxation**

This is arrive at after crediting/(charging):

	3 months ended <u>31.07.16</u> (RM'000)	3 months ended <u>31.07.15</u> (RM'000)	YTD ended <u>31.07.16</u> (RM'000)	YTD ended <u>31.07.15</u> (RM'000)
Interest income	212	35	476	38
Interest expense	(21)	(33)	(28)	(57)
Depreciation	(1,987)	(1,497)	(3,768)	(2,959)
(Loss)/Gain on Foreign Exchange:				
- realised	888	617	(1,586)	802
- unrealised	809	515	1,428	(15)
Fair value gain on derivatives	(453)	(384)	(413)	(105)
Plant and equipment written back/(off)	61	-	(5,033)	-
Inventory written off	-	-	(7,724)	-

Save as above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

**19. Landed properties**

There was no disposal of any landed properties for the current financial year.

**20. Quoted investment**

There were no purchases or sales of quoted securities for the current financial year.

**21. Status of corporate proposal announced**

There is no corporate proposal announced since the last financial year.

**22. Borrowings**

The Group do not have any borrowing since the last financial year.

**23. Material litigation**

The Group is not aware of any material litigation that may have significant impact to the Group's profit.

## 24. Retained earnings

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Malaysia”) issued a directive to all listed issuers pursuant to paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained earnings as at the end of the reporting year, into realised and unrealised profits or losses.

The breakdown of the retained earnings of the Group into realised and unrealised profits or losses, pursuant to the directive, is as follows:

	<u>30.04.16</u>	<u>31.01.16</u>
	RM’000	RM’000
Total retained earnings of the Group:		
- Realised	30,038	21,267
- Unrealised	659	(315)
Consolidated adjustments	<u>7,243</u>	<u>7,243</u>
Total accumulated gain as per statement of financial position	<u>37,940</u>	<u>28,195</u>

The determination of realised and unrealised profits / (losses) is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysia Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits / (losses) above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berhad and should not be applied for other purposes.

## 25. Dividend Payable

The Directors do not recommend any payment of dividend for the current financial year to-date.

## 26. Earnings per share

	3 months ended	3 months ended	YTD ended	YTD ended
	<u>31.07.16</u>	<u>31.07.15</u>	<u>31.07.16</u>	<u>31.07.15</u>
Net profit for the year (RM’000)	18,846	5,007	9,404	9,098
Weighted average no. of ordinary shares for basic earnings per share computation (’000)	558,790	434,134	558,790	434,134
Earnings per ordinary share attributable to owners of the parent (cent)				
- Basic	3.37	1.15	1.68	2.10
- Diluted	3.37	1.15	1.68	2.10