

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

	<b>As at</b> <b>31.10.2016</b> <b>RM'000</b> <b>(Unaudited)</b>	<b>As at</b> <b>31.01.2016</b> <b>RM'000</b> <b>(Restated)</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	120,284	90,075
<b>Current assets</b>		
Inventories	34,959	23,848
Trade receivables	49,844	32,175
Other receivables, deposits and prepayments	5,117	5,155
Derivative financial assets	-	515
Tax recoverable	59	29
Cash and cash equivalents	23,298	47,888
	<u>113,277</u>	<u>109,610</u>
<b>Total assets</b>	<u><u>233,561</u></u>	<u><u>199,685</u></u>
<b>Equity attributable to owners of the company</b>		
Share capital	55,879	55,879
Reserves	142,048	124,357
	<u>197,927</u>	<u>180,236</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,223	1,394
<b>Current liabilities</b>		
Trade payables	23,452	11,014
Other payables and accruals	10,734	7,041
Derivatives liabilities	225	-
	<u>34,411</u>	<u>18,055</u>
<b>Total liabilities</b>	<u>35,634</u>	<u>19,449</u>
<b>Total equity and liabilities</b>	<u><u>233,561</u></u>	<u><u>199,685</u></u>
Net assets per share attributable to owners of the company (sen)	35	39

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 Third Quarter Ended 31 October 2016**

	<b>Current Quarter Ended 31.10.2016 RM'000 (Unaudited)</b>	<b>Corresponding Quarter Ended 31.10.2015 RM'000 (Unaudited)</b>	<b>Current YTD Ended 31.10.2016 RM'000 (Unaudited)</b>	<b>Corresponding YTD Ended 31.10.2015 RM'000 (Unaudited)</b>
Revenue	74,039	61,276	190,243	171,200
Cost of sales	(62,962)	(51,141)	(163,153)	(148,286)
<b>Gross profit</b>	<b>11,077</b>	<b>10,135</b>	<b>27,090</b>	<b>22,914</b>
<b>Other items of income</b>				
Interest income	127	103	603	141
Other income/(loss)	599	(139)	13,817	932
<b>Other items of expense</b>				
Selling and marketing expenses	(1,698)	(778)	(3,375)	(1,947)
Administrative expenses	(2,001)	(2,169)	(20,570)	(5,796)
<b>Operating profit</b>	<b>8,104</b>	<b>7,152</b>	<b>17,565</b>	<b>16,244</b>
Finance costs	(5)	(19)	(33)	(76)
<b>Profit before tax</b>	<b>8,099</b>	<b>7,133</b>	<b>17,532</b>	<b>16,168</b>
Taxation	188	32	159	95
<b>Profit net of tax</b>	<b>8,287</b>	<b>7,165</b>	<b>17,691</b>	<b>16,263</b>
Other comprehensive profit, net of tax	170	180	511	541
<b>Total comprehensive income</b>	<b>8,457</b>	<b>7,345</b>	<b>18,202</b>	<b>16,804</b>
<b>Profit attributable to:</b>				
<b>Owners of the company</b>	<b>8,287</b>	<b>7,165</b>	<b>17,691</b>	<b>16,263</b>
<b>Total comprehensive income attribute to:</b>				
<b>Owners of the company</b>	<b>8,457</b>	<b>7,345</b>	<b>18,202</b>	<b>16,804</b>
<b>Earnings per ordinary share</b>				
<b>attributable to owners of the company (sen)</b>				
- Basic	1.48	1.58	3.17	3.59
- Diluted	1.48	1.58	3.17	3.59

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

**Condensed Unaudited Consolidated Statement of Changes in Equity  
For the Third Quarter Ended 31 October 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>9 Months Ended 31 October 2016</b>								
At 1 February 2016	55,879	72,254	3,042	-	10,054	11,319	28,195	180,743
Prior year adjustment	-	-	-	-	-	-	(507)	(507)
Profit Restated	55,879	72,254	3,042	-	10,054	11,319	27,688	180,236
Profit net of tax	-	-	-	-	-	-	17,691	17,691
Realisation of revaluation reserve	-	-	-	-	(511)	-	511	-
Total comprehensive income	-	-	-	-	(511)	-	18,202	17,691
At 31 October 2016	55,879	72,254	3,042	-	9,543	11,319	45,890	197,927

**9 Months Ended 31 October 2015**

At 1 February 2015	43,301	11,121	4,490	10,609	10,776	11,319	3,753	95,369
Profit net of tax	-	-	-	-	-	-	16,263	16,263
Realisation of revaluation reserve	-	-	-	-	(541)	-	541	-
Total comprehensive income	-	-	-	-	(541)	-	16,804	16,263
Exercise of Warrants 2010/2015	1,938	9,488	-	(1,737)	-	-	-	9,689
At 31 October 2015	45,239	20,609	4,490	8,872	10,235	11,319	20,557	121,321

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 October 2016**

	<b>Current YTD Ended 31.10.2016 RM'000 (Unaudited)</b>	<b>Corresponding YTD Ended 31.10.2015 RM'000 (Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	17,532	16,168
Adjustments for:		
Non-cash items	6,708	4,794
Property, plant and equipment written off	5,033	-
Inventory written off	7,724	-
Interest expense	33	76
Interest income	(603)	(141)
Operating profit before working capital changes	<u>36,427</u>	<u>20,897</u>
Changes in working capital:		
Net change in current assets	(36,467)	(9,704)
Net change in current liabilities	16,131	6,275
Cash generated from operations	<u>16,091</u>	<u>17,468</u>
Interest paid	(33)	(72)
Tax (paid)/refund	(43)	12
<b>Net cash generated from operating activities</b>	<b><u>16,015</u></b>	<b><u>17,408</u></b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(41,596)	(19,836)
Proceeds from disposal of property, plant and equipment	388	13
Interest received	603	141
<b>Net cash used in investing activities</b>	<b><u>(40,605)</u></b>	<b><u>(19,682)</u></b>
<b>Cash flows from financing activities</b>		
Exercise of Warrants 2010/2015	-	9,690
Repayment of bank borrowing	-	(3,150)
Repayment of hire purchase	-	(22)
Interest paid	-	(4)
<b>Net cash generated from financing activities</b>	<b><u>-</u></b>	<b><u>6,514</u></b>
Net changes in cash and cash equivalents	(24,590)	4,240
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>23,298</u></b>	<b><u>14,310</u></b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	5,686	5,730
Short term deposits placed with licensed banks	17,612	8,580
	<b><u>23,298</u></b>	<b><u>14,310</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

In this current quarter, an adjustment was made to rectify an error by supplier relating to the Group's annual financial statements for the year ended 31 January 2016.

In August 2016, we received an invoice from Gas Malaysia Berhad on additional gas charges of RM 0.5 million. This amount was arrived after tariff reconciliation based on actual natural gas consumption whereby such tariff reconciliation was not mentioned in Gas Supply Agreement. The Group has made an appeal to Gas Malaysia Berhad to waive the charges, but was rejected.

The Group decided to rectify this under accrual of the gas charges in the previous financial year ended 31 January 2016. The Consolidated Financial Position on Page 1 was restated as follow:

	Audited	Prior Year Adjustment	Restated
	RM 000	RM 000	RM 000
Reserves	124,864	(507)	124,357
Other payables and accruals	6,534	507	7,041

The prior year adjustment will only impact on the last quarter of preceding financial year. Hence, no restatement on the financial results for 3QYE 2016 is required.

## 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 9 months period ended 31 October 2016 are as follows:

	<u>Manufacturing</u>	<u>Investment Holding</u>	<u>Others</u>	<u>Inter-Segment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
Total	170,718	-	19,525	-	190,243
Inter segment	18,015	-	-	(18,015)	-
External	188,733	-	19,525	(18,015)	190,243
<b>Results</b>					
Segment profit/(loss)	23,903	(450)	27	-	23,480
Insurance claim receivable					12,143
Interest income					603
Finance costs					(33)
Depreciation					(5,904)
Inventory written off					(7,724)
Property, plant and equipment written off					(5,033)
Profit before tax					17,532
Taxation					159
Net profit for the period					17,691

The Group's operating segments for the 9 months period ended 31 October 2015 are as follows:

	<u>Manufacturing</u>	<u>Investment Holding</u>	<u>Others</u>	<u>Inter Segment</u>	<u>Total</u>
	RM'000	RM'000	RM'000		RM'000
<b>Revenue</b>					
Total	150,621	-	20,579	-	171,200
Inter segment	19,016	-	-	(19,016)	-
External	169,637	-	20,579	(19,016)	171,200
<b>Results</b>					
Segment profit /(loss)	20,394	(1,022)	1,237	-	20,609
Interest income					141
Interest expense					(76)
Depreciation					(4,506)
Profit before tax					16,168
Taxation					95
Net profit for the period					16,263

## 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 12.1 million has been received to compensate the warehouse's reconstruction cost and inventory loss amounting to RM 4.4 million and RM 7.7 million respectively.

## 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 October 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:

	<u>31.10.16</u> RM'000
Property, plant and equipment	
- approved and contracted for	1,869
- approved but not contracted for	30,500
	<u>32,369</u>

The approved and contracted for capital commitments are in relation to the construction of a new production plant consists of 8 production lines.

### 13. Review of performance

	3rd Qtr Ended			Year to Date Ended		
	31/10/16 RM'000	31/10/15 RM'000	Variance %	31/10/16 RM'000	31/10/15 RM'000	Variance %
Revenue	74,039	61,276	21%	190,243	171,200	11%
Cost of sales	(62,962)	(51,141)	23%	(163,153)	(148,286)	10%
Gross profit	11,077	10,135		27,090	22,914	
Gross profit margin	15%	17%		14%	13%	
PBT	8,099	7,133		17,532	16,168	
Add: Loss due to fire	-	-		614	-	
	8,099	7,133	14%	18,146	16,168	12%
PBT margin	11%	12%		10%	9%	

In this current quarter, the Group registered sales revenue of RM 74 million, the highest ever, which was 21% higher than 3QYE2016. The significant increase was mainly due to higher customer's demand of speciality gloves.

The year to date gross profit and profit before tax margin were comparable to last year. Profit before tax higher by 12%, i.e. RM 2 million resultant from increased in revenue and effective cost reduction programme that took place throughout current financial year.

### 14. Variation of results against preceding quarter

	Qtr Ended		Variance %
	31/10/16 RM'000	31/07/16 RM'000	
Revenue	74,039	63,902	16%
Cost of sales	(62,962)	(55,694)	13%
Gross profit	11,077	8,208	
Gross profit margin	15%	13%	
PBT	8,099	18,932	
Add: Loss suffered due to fire:			
Property, plant and equipment written off	-	(61)	
Less: Recovery from insurance claim	-	(12,143)	
Revised PBT	8,099	6,728	20%
Revised PBT margin	11%	11%	

As compared to 2QFY16, the revenue and profit before taxation increased by 16% and 20% respectively mainly due to higher demand of speciality gloves. Despite the imposition of minimum wages hikes in July 2016, the Group was able to improve gross profit margin by 2% resultant from better production planning that reduced product changeover and set-up time. The improvement on process optimisation has also minimised material wastage and increased the productivity.

## 15. Current year prospects

The Group foresees that the glove market remains challenging and competitive due to global market turbulence. The Group is committed to further improve core processes that enhance productivity and lead to significant cost reduction.

The Group maintains a strong focus on demand of affordable speciality gloves with reliable protection for various applications. Looking ahead, the Group will continue growth by developing innovative speciality gloves that not only meet but also exceed customer needs and expectations. In long term, the Group will expand strategically in line with customers' demand.

## 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 31.10.16	YTD Ended 31.10.16
Deferred taxation	50	171
Taxation	129	(21)
	<u>179</u>	<u>150</u>

## 18. Profit before taxation

This is arrive at after crediting/(charging):

	3 months ended 31.10.16 (RM'000)	3 months ended 31.10.15 (RM'000)	YTD ended 31.10.16 (RM'000)	YTD ended 31.10.15 (RM'000)
Interest income	127	103	603	141
Interest expense	(5)	(19)	(33)	(76)
Depreciation	(2,136)	(1,547)	(5,904)	(4,506)
(Loss)/Gain on Foreign Exchange:				
- realised	2,397	(817)	811	(15)
- unrealised	(607)	959	821	944
Fair value gain on derivatives	(327)	(196)	(740)	(301)
Plant and equipment written off	-	-	(5,033)	-
Inventory written off	-	-	(7,724)	13
Allowance for doubtful debts	-	(215)	-	(215)

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>31.10.16</u>	<u>31.01.16</u>
	RM'000	RM'000
Total retained earnings of the Group:		
- Realised	38,429	21,267
- Unrealised	218	(315)
Consolidated adjustments	<u>7,243</u>	<u>7,243</u>
Total accumulated gain as per statement of financial position	<u>45,890</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 <u>31.10.16</u>	3 months ended <u>31.10.15</u>	YTD ended <u>31.10.16</u>	YTD ended <u>31.10.15</u>
Net profit for the year (RM'000)	8,287	7,165	17,691	16,263
Weighted average no. of ordinary shares for basic earnings per share computation ('000)	558,790	452,393	558,790	452,393
Earnings per ordinary share attributable to owners of the parent (cent)				
- Basic	1.48	1.58	3.17	3.59
- Diluted	1.48	1.58	3.17	3.59