

FCW HOLDINGS BERHAD (Company No. : 3116 K)  
Summary of Key Financial Information for the period ended 30 June 2019

	INDIVIDUAL QUARTER		INDIVIDUAL CHANGES		CUMULATIVE QUARTER		CUMULATIVE CHANGES	
	Current Year Quarter	Preceding Year Corresponding Quarter	Amount	%	Current Year To Date	Preceding Year Corresponding Period	Amount	%
	30/6/2019	30/6/2018			30/6/2019	30/6/2018		
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
1 Revenue	8,279	8,187	92	1%	29,015	31,868	(2,853)	-9%
2 Profit Before Tax	4,134	1,856	2,278	123%	4,713	166	4,547	2739%
3 Profit / (Loss) for the Period	4,140	1,209	2,931	242%	3,518	(1,016)	4,534	-446%
4 Profit for the Period and Other Comprehensive Income Attributable to Owners of the Company	4,138	1,212	2,926	241%	3,516	(1,013)	4,529	-447%
5 Basic earnings / (loss) per share (sen)	1.66	0.48	1.17	241%	1.41	(0.41)	1.81	-447%
6 Proposed/Declared dividend per share (sen)	0.00	0.00	0.00		10.00	0.00	10.00	

Summary of Financial review for current quarter compared with immediate preceding quarter

	INDIVIDUAL		Individual changes	
	Current Year Quarter	Immediate Preceding Quarter	Amount	%
	30/6/2019	31/03/2019		
	RM'000	RM'000	RM'000	
1 Revenue	8,279	7,116	1,163	16.3%
2 Profit / (Loss) Before Tax	4,134	(2,701)	6,835	-253%
3 Profit / (Loss) for the Period	4,140	(2,923)	7,063	-242%
4 Profit / (Loss) for the Period and Other Comprehensive Income / (Loss) Attributable to Owners of the Company	4,138	(2,923)	7,061	-242%
5 Basic Profit / (Loss) per share (sen)	1.66	(1.17)	2.83	-241%
6 Proposed/Declared dividend per share (sen)	-	10.00	(10.00)	-

	As At End Of Current Quarter	As At Preceding Financial Year End
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	0.59	0.68

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/6/2019	30/6/2018	30/6/2019	30/6/2018
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	1,177	1,466	5,414	5,575
2 Gross interest expense	(8)	(20)	(50)	(88)

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(Unaudited)

	FY 2018/19 Current Quarter Ended 30-Jun RM'000	FY 2017/18 Comparative Quarter Ended 30-Jun RM'000	FY 2018/19 Current 12 Months Cumulative To Date RM'000	FY 2017/18 Comparative 12 Months Cumulative To Date RM'000
Revenue	8,279	8,187	29,015	31,868
Cost of Sales	<u>(6,369)</u>	<u>(6,328)</u>	<u>(22,700)</u>	<u>(25,657)</u>
<b>Gross Profit</b>	1,910	1,859	6,315	6,211
Other Income	1,135	1,476	5,390	5,619
<b>Other Items of Expenses</b>				
Administrative Expenses	(374)	(283)	(1,878)	(1,875)
Marketing Expenses	(2)	(207)	(45)	(382)
Other Expenses	(823)	(957)	(3,578)	(3,907)
Share of Results of an Associate	(2,203)	(1,583)	(16,374)	(6,399)
Share of Results of a Joint Venture	<u>4,499</u>	<u>1,571</u>	<u>14,933</u>	<u>987</u>
<b>Profit From Operations</b>	4,142	1,876	4,763	254
Finance Costs	<u>(8)</u>	<u>(20)</u>	<u>(50)</u>	<u>(88)</u>
<b>Profit Before Tax</b>	4,134	1,856	4,713	166
Taxation	<u>6</u>	<u>(647)</u>	<u>(1,195)</u>	<u>(1,182)</u>
<b>Profit / (Loss) for the Period</b>	4,140	1,209	3,518	(1,016)
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income / (Loss) for the period</b>	<u><u>4,140</u></u>	<u><u>1,209</u></u>	<u><u>3,518</u></u>	<u><u>(1,016)</u></u>
<b>Profit / (Loss) for the Period and Other Comprehensive Income / (Loss) Attributable to:</b>				
Owners of the Company	4,138	1,212	3,516	(1,013)
Non-controlling Interests	<u>2</u>	<u>(3)</u>	<u>2</u>	<u>(3)</u>
	<u><u>4,140</u></u>	<u><u>1,209</u></u>	<u><u>3,518</u></u>	<u><u>(1,016)</u></u>
<b>Earnings / (Loss) per share Attributable to Owners of the Parent (sen per share)</b>				
- Basic	1.66	0.48	1.41	(0.41)

*The Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018.*

**FCW HOLDINGS BERHAD (Company No. : 3116 K)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**  
**(Unaudited)**

	As At 30-Jun FY2019 RM'000	As At 30-Jun FY2018 RM'000
<b>Non Current Assets</b>		
Property, plant and equipment	4,581	4,561
Investment property	3,100	3,100
Investment in an associate	5,216	21,590
Other Investment	682	659
Deferred tax asset	906	735
Receivables	75,413	68,345
Goodwill on consolidation	1,726	1,726
	<u>91,624</u>	<u>100,716</u>
<b>Current Assets</b>		
Inventories	5,466	4,177
Receivables	5,161	4,937
Tax recoverable	2,154	1,500
Cash and cash equivalents	85,740	115,388
	<u>98,521</u>	<u>126,002</u>
<b>Total Assets</b>	<u>190,145</u>	<u>226,718</u>
<b>Share Capital</b>	124,997	124,997
<b>Reserves</b>	22,430	43,914
<b>Shareholders' Equity</b>	<u>147,427</u>	<u>168,911</u>
<b>Non-controlling interests</b>	(18)	(19)
<b>Total equity</b>	<u>147,409</u>	<u>168,892</u>
<b>Non Current Liabilities</b>		
Loans and borrowings	18	341
Deferred tax liabilities	127	211
Deferred income	38,619	49,832
	<u>38,764</u>	<u>50,384</u>
<b>Current Liabilities</b>		
Payables	3,646	6,439
Loans and borrowings	326	564
Taxation	-	439
	<u>3,972</u>	<u>7,442</u>
<b>Total Equity And Liabilities</b>	<u>190,145</u>	<u>226,718</u>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>	<u>0.59</u>	<u>0.68</u>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018.*

**FCW HOLDINGS BERHAD (Company No. : 3116 K)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**  
**(Unaudited)**

	FY2018/19 12 Months ended 30-Jun-19 RM' 000	FY2017/18 12 Months ended 30-Jun-18 RM' 000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	4,713	166
Adjustments for:		
Non-cash items	222	286
Share of results of an associate	16,374	6,399
Share of results of a joint venture	(14,933)	(987)
Gain on disposal of property, plant and equipment	-	(2)
Non-operating items	(5,364)	(4,546)
	<u>1,012</u>	<u>1,316</u>
Net changes in current assets	(1,513)	(1,147)
Net changes in current liabilities	841	(1,660)
Cash used in operations	<u>340</u>	<u>(1,491)</u>
Interest income received	5,414	5,575
Interest expense paid	(50)	(88)
Tax paid	(2,459)	(1,810)
Net cash generated from operating activities	<u>3,245</u>	<u>2,186</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	46	59
Advance to a joint venture	(7,068)	(4,700)
Purchase of property, plant and equipment	(288)	(155)
Placement of other investment	(23)	(17)
Net cash used in investing activities	<u>(7,333)</u>	<u>(4,813)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid on ordinary shares	(24,999)	-
Repayment of short term borrowings	(543)	(369)
Repayment of hire purchase creditors	(18)	(46)
Net cash used in financing activities	<u>(25,560)</u>	<u>(415)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(29,648)	(3,042)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	115,388	118,430
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>85,740</u>	<u>115,388</u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018.*

FCW HOLDINGS BERHAD (Company No. : 3116 K)  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**  
(Unaudited)

	Attributable to Shareholders of the Company				Sub-Total	Non-controlling Interests	Grand-Total Equity
	Non-Distributable		Distributable				
	Share Capital	Capital Reserve	Reserves Premium paid on acquisition of NCI	Accumulated Profit			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Year ended 30 June 2019							
At 1st July 2018	124,997	2,704	(1,145)	42,352	168,908	(16)	168,892
					-		-
Dividend paid	-	-	-	(24,999)	(24,999)	-	(24,999)
Total comprehensive income for the period	-	-	-	3,518	3,518	(2)	3,516
At 30 June 2019	124,997	2,704	(1,145)	20,871	147,427	(18)	147,409
Year ended 30 June 2018							
At 1st July 2017	124,997	2,704	(1,145)	43,368	169,924	(19)	169,905
Dividend paid	-	-	-	-	-	-	-
Premium paid on acquisition of minority interest	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,016)	(1,016)	3	(1,013)
At 30 June 2018	124,997	2,704	(1,145)	42,352	168,908	(16)	168,892

*The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2018.*

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**For The 4<sup>th</sup> Quarter Ended 30 June 2019**

**PART A. NOTES TO THE INTERIM FINANCIAL REPORT**

**1. Basis of Preparation**

The unaudited interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Chapter 9, Part K 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 30 June 2018. The explanatory notes attached to the 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 30 June 2018.

**Adoption of Malaysian Financial Reporting Standard (“MFRS”) and amendments / improvements to MFRSs**

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 30 June 2018, except as disclosed below:

Effective for annual periods commencing on or after 1 January 2018

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)
MFRS 15	Revenue from Contracts with Customers

The Group and the Company had early adopted MFRS 15 *Revenue from Contracts with Customers* for the previous financial year.

The adoption of the above MFRS and amendments/improvements to MFRSs did not have any significant impact on the financial statements of the Group and of the Company for the current financial period nor did it result in any significant changes to the Group’s and the Company’s existing accounting policies

**New MFRSs, amendments/improvements to MFRSs, new IC Interpretation (“IC Int”) and amendments to IC Int that have been issued, but yet to be effective**

The Group has not adopted the following new MFRSs, amendments/improvements to MFRSs and new IC Int that have been issued, but are not yet effective to the Group and the Company:

		<b>Effective for financial periods beginning on or after</b>
<u>New MFRSs</u>		
MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contracts	1 January 2021
<u>Amendments/Improvements to MFRSs</u>		
MFRS 2	Share-based Payment	1 January 2018/ 1 January 2020
MFRS 3	Business Combinations	1 January 2019

## FCW HOLDINGS BERHAD (3116-K)

MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020*
MFRS 9	Financial Instruments	1 January 2019
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 11	Joint Arrangements	1 January 2019
MFRS 14	Regulatory Deferral Accounts	1 January 2020*
MFRS 101	Presentation of Financial Statements	1 January 2020*
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020*
MFRS 112	Income Taxes	1 January 2019
MFRS 119	Employee Benefits	1 January 2019
MFRS 123	Borrowing Costs	1 January 2019
MFRS 128	Investments in Associates and Joint Ventures	1 January 2019/ Deferred
MFRS 134	Interim Financial Reporting	1 January 2020*
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020*
MFRS 138	Intangible Assets	1 January 2020*
<u>New IC Int</u>		
IC Int 23	Uncertainty over Income Tax Treatments	1 January 2019
<u>Amendments to IC Int</u>		
IC Int 12	Service Concession Arrangements	1 January 2020*
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020*
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2020*
IC Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2020*
IC Int 132	Intangible Assets – Web Site Costs	1 January 2020*

\* *Amendments to References to the Conceptual Framework in MFRS Standards*

**2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the Company's financial statements for the year ended 30 June 2019 was not subject to any qualification.

**3. Seasonal or Cyclical Factors**

The operations of the Group are not subject to any seasonal or cyclical factors.

**4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group.

**5. Material Changes in Estimates of Amount Reported Previously Affecting Current Interim Period**

There were no changes in estimates of amount reported in prior financial years which have a material effect in the current interim period.

**6. Dividend Paid**

A first interim single-tier dividend of 10 sen per ordinary share amounting to RM24,999,413 declared in respect of the financial year ended 30 June 2019 was paid on 8<sup>th</sup> April 2019.



## FCW HOLDINGS BERHAD (3116-K)

### PART A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

#### 7. Segmental Information

(RM'000)	30-06-19 4th Qtr	30-06-18 4th Qtr	30-06-19 12 Mths Cum	30-06-18 12 Mths Cum
<u>Segment Revenue</u>				
Contract Manufacturing	8,279	8,187	29,015	31,868
Total	<u>8,279</u>	<u>8,187</u>	<u>29,015</u>	<u>31,868</u>
<u>Segment Results</u>				
Contract Manufacturing	961	919	2,102	2,143
Share of Results of an Associate	(2,203)	(1,583)	(16,374)	(6,399)
Share of Results of a Joint Venture	4,499	1,571	14,933	987
Others	877	949	4,052	3,435
Total	<u>4,134</u>	<u>1,856</u>	<u>4,713</u>	<u>166</u>

#### 8. Subsequent Events

There was no material events subsequent to the end of the financial quarter ended 30 June 2019.

#### 9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter ended 30 June 2019.

#### 10. Capital Commitments

The Group has no material capital commitment in respect of property, plant and equipment as at 30 June 2019.

**PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**1. Performance review**

**Contract Manufacturing**

Current quarter

Turnover for the current quarter of RM8.3 million was marginally higher than that for the corresponding quarter last year while gross margin was maintained at the previous year's level. As a result, profit before tax of RM961,000 was slightly higher than that of RM919,000 for the comparative quarter last year.

Year-to-date

Revenue for the current financial year dropped some 9% to RM29.0 million from the previous year of RM31.8 million while gross profit margin was higher due to lower production costs resulting from certain cost control measures undertaken as well as reduced impairment costs on obsolete inventories. Sales for the year were affected by lower export revenue which fell 40% as a result of lower contributions from a few of the major overseas customers one of whose orders were put on hold pending approval by the authorities of its name change. Lower export sales were only partly made up for by a slight increase in local sales amidst a tougher trading environment marked by increased market fragmentation and overseas products supplied by smaller operators developing their own brands and the availability of alternative products with the advent of E-Commerce and marketing platforms amidst a general downturn of the industry affecting local retail and manufacturing sales. Total overall expenses were about those for the year before as certain increases in research and development expenditure were offset by other lower operating costs. As a result the profit before tax of RM2.1 million was similar to that for the preceding year.

**Power & Telecommunication Cables Manufacturing**

Current quarter

The Group's share of its associate's losses in the cables manufacturing segment amounting to RM2.2 million for the current quarter was higher than that of RM1.6 million for the corresponding quarter last year, on the back of a 49% fall in revenue to RM23.2 million to which was ascribed a gross loss for the quarter of RM0.9 million..

Year-to-date

Total sales for the current financial year fell 43% to RM128.0 million from that of RM225.4 million last year. Despite an increase in gross profit margin to 3.8% from that of 3.3% for the previous year, the financial year under review saw its after-tax loss widen to RM38.3 million (of which the Group's share of the loss was RM16.3 million) due to impairment losses on its property, plant and machinery and non-recognition of deferred tax assets during the year.

**Property Development**

Current quarter

Property development segment carried out through a joint venture company, contributed an after-tax profit of RM4.5 million for the quarter under review as compared to a profit of RM1.5 million for the corresponding quarter in the previous year. This was due to increased revenue from units sold and further progress in the completion of its development known as Riana Dutamas

**PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS (CONT'D)**

Year-to-date

For the current year, the Group reported its share of after-tax profit amounting to RM14.9 million, up from a profit of RM987,000 for the last financial year. Sales value achieved as at the end of the year under review period was approximately 78% of the estimated gross development value of Phase One totaling RM570 million with revenue recognition at 40% of the sales recorded.

**Others**

Current quarter

Profit before tax has decreased from RM949,000 in the corresponding quarter of the preceding year to RM877,000 in the current quarter mainly due to lower interest income earned following the payment of dividend in last quarter of financial year.

Year to date

Profit before tax has increased from RM3.4 million for the preceding year to RM4.1 million for the current year mainly due to reduced operating and management-related costs.

**2. Comparison with preceding quarter's result**

Revenue for the contract manufacturing segment increased 16% with a pre-tax profit reported of RM961,000 against that of RM144,000 for the preceding quarter. Property development activities however contributed a smaller profit of RM4.5 million compared to RM7.7 million for the quarter before. The cables manufacturing segment suffered a lower loss for the current quarter of RM2.2 million against the loss of RM11.5 million mainly due to impairment losses in the preceding period. As a result the Group reported a profit before tax of RM4.1 million versus a pre-tax loss of RM2.7 million for the quarter earlier.

**3. Commentary of Prospects**

With the continued uncertainty overhanging international trade relations and the anticipated slowdown of the local economy, the coming year will likely see increasingly challenging market conditions that may have an impact on the business segments the Group is engaged in. The property market while becoming more competitive will continue to be a major contributor to the performance of the Group. The contract manufacturing segment may experience stiffer competition from the increasing number market players with access to products sourced overseas. Nevertheless the Group is cautiously optimistic that through effective marketing strategies capitalizing on the strengths of its existing property development and looking into higher value-added manufacturing activities, the prospects remain positive for the near and longer term future.

**4. Variance on profit forecast**

Not applicable

## FCW HOLDINGS BERHAD (3116-K)

### 5. Items included in the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging/ (crediting) the following items:

	30-06-19 Current Quarter RM'000	30-06-18 Current Quarter RM'000	30-06-19 12-months Cumulative RM'000	30-06-18 12-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	-	-	-	(2)
Interest income	(1,177)	(1,466)	(5,414)	(5,575)
Other income	-	(4)	-	(17)
Interest expenses	8	20	50	88
Depreciation and amortisation	53	53	222	286
(Gain)/ loss on foreign exchange	(3)	(6)	(21)	(24)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	169	-	125	294
Gain on disposal of assets held for sale	-	-	-	-
Loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-
Loss on disposal at investment	-	-	-	-
Reversal of provision for diminution in investment	-	-	-	-

### 6. Tax

	Current Quarter RM'000	Year to date RM'000
Income Tax:		
- Current year	642	2,149
- Under / (over) provision in prior years	(569)	(569)
Deferred Tax		
-Current year	(79)	(385)
	(6)	1,195
Profit / loss before taxation:	<u>4,134</u>	<u>4,713</u>
Tax at applicable rate of 24%	992	1,131
Effect of share of results of an associate and joint venture	(551)	346
Non-deductible expenses	122	287
Income Tax		
-Under / (over) provision in prior years	(569)	(569)
	(6)	1,195

## FCW HOLDINGS BERHAD (3116-K)

Current income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the quarter and year- to- date.

### 7. Group Borrowings and Debt Securities

	As at 4 <sup>th</sup> quarter ended FY2019		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
	Secured		
Term Loan	-	312	312
Hire Purchase	18	14	32
Total	18	326	344
	As at 4 <sup>th</sup> quarter ended FY2018		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination

Secured			
Term Loan	309	550	859
Hire Purchase	32	14	46
Total	341	564	905

### 8. Material Litigation

The Group does not have any litigation which would materially affect its financial position.

### 9. Dividend Declared/Recommended

There were no dividends declared or recommended during the current financial quarter.

**10. Earnings Per Share**

**Basic earnings per share**

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	30-06-19	30-06-18	30-06-19	30-06-18
	RM'000	RM'000	RM'000	RM'000
Net profit / (loss) attributable to shareholders	4,138	1,212	3,516	(1,013)
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
<b><i>Basic earnings / (loss) per share (sen)</i></b>	<b><i>1.66</i></b>	<b><i>0.48</i></b>	<b><i>1.41</i></b>	<b><i>(0.41)</i></b>

**By Order of the Board**

**Dato' Teo Ker Wei**  
**Executive Director**

**29 August 2019**  
**Kuala Lumpur**