

FCW HOLDINGS BERHAD (Company No. : 3116 K)
Summary of Key Financial Information for the period ended 30 September 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	%
	30/9/2019	30/9/2018			30/9/2019	30/9/2018		
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	
1 Revenue	6,402	6,879	(477)	-7%	6,402	6,879	(477)	-7%
2 Profit Before Tax	6,803	1,812	4,991	275%	6,803	1,812	4,991	275%
3 Profit for the Period	6,510	1,413	5,097	361%	6,510	1,413	5,097	361%
4 Profit for the Period and Other Comprehensive Income Attributable to Owners of the Company	6,510	1,413	5,097	361%	6,510	1,413	5,097	361%
5 Basic earnings per share (sen)	2.60	0.57	2.04	361%	2.60	0.57	2.04	361%
6 Proposed/Declared dividend per share (sen)	0.00	0.00	0.00		0.00	0.00	0.00	

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

	INDIVIDUAL		Individual changes	
	Current Year Quarter	Immediate Preceding Quarter	Amount	%
	30/9/2019	30/06/2019		
	RM'000	RM'000	RM'000	
1 Revenue	6,402	8,279	(1,877)	-22.7%
2 Profit / (Loss) Before Tax	6,803	4,134	2,669	65%
3 Profit / (Loss) for the Period	6,510	4,140	2,370	57%
4 Profit / (Loss) for the Period and Other Comprehensive Income / (Loss) Attributable to Owners of the Company	6,510	4,138	2,372	57%
5 Basic Profit / (Loss) per share (sen)	2.60	1.66	0.94	57%
6 Proposed/Declared dividend per share (sen)	-	-	-	-

	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)	0.62	0.59

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/9/2019	30/9/2018	30/9/2019	30/9/2018
	RM'000	RM'000	RM'000	RM'000
1 Gross interest income	1,171	1,412	1,171	1,412
2 Gross interest expense	(6)	(17)	(6)	(17)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(Unaudited)

	FY 2019/20 Current Quarter Ended 30-Sep RM'000	FY 2018/19 Comparative Quarter Ended 30-Sep RM'000	FY 2019/20 Current 3 Months Cumulative To Date RM'000	FY 2018/19 Comparative 3 Months Cumulative To Date RM'000
Revenue	6,402	6,879	6,402	6,879
Cost of Sales	<u>(5,192)</u>	<u>(5,727)</u>	<u>(5,192)</u>	<u>(5,727)</u>
Gross Profit	1,210	1,152	1,210	1,152
Other Income	1,188	1,429	1,188	1,429
Other Items of Expenses				
Administrative Expenses	(426)	(517)	(426)	(517)
Marketing Expenses	(5)	(5)	(5)	(5)
Other Expenses	(838)	(769)	(838)	(769)
Share of Results of an Associate	(1,771)	(763)	(1,771)	(763)
Share of Results of a Joint Venture	<u>7,451</u>	<u>1,302</u>	<u>7,451</u>	<u>1,302</u>
Profit From Operations	6,809	1,829	6,809	1,829
Finance Costs	<u>(6)</u>	<u>(17)</u>	<u>(6)</u>	<u>(17)</u>
Profit Before Tax	6,803	1,812	6,803	1,812
Taxation	<u>(293)</u>	<u>(399)</u>	<u>(293)</u>	<u>(399)</u>
Profit for the Period	6,510	1,413	6,510	1,413
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the period	<u><u>6,510</u></u>	<u><u>1,413</u></u>	<u><u>6,510</u></u>	<u><u>1,413</u></u>
Profit for the Period and Other Comprehensive Income Attributable to:				
Owners of the Company	6,510	1,413	6,510	1,413
Non-controlling Interests	-	-	-	-
	<u><u>6,510</u></u>	<u><u>1,413</u></u>	<u><u>6,510</u></u>	<u><u>1,413</u></u>
Earnings per share Attributable to Owners of the Parent (sen per share)				
- Basic	2.60	0.57	2.60	0.57

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 2019.

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

	As At 30-Sep 2019 RM'000	As At 30-Jun 2019 RM'000
Non Current Assets		
Property, plant and equipment	4,563	4,581
Investment property	3,100	3,100
Investment in an associate	3,445	5,216
Other Investment	688	682
Deferred tax asset	902	906
Receivables	76,352	75,412
Goodwill on consolidation	1,726	1,726
	<u>90,776</u>	<u>91,623</u>
Current Assets		
Inventories	5,313	5,466
Receivables	4,133	5,653
Tax recoverable	2,282	2,205
Cash and cash equivalents	86,424	86,530
	<u>98,152</u>	<u>99,854</u>
Total Assets	<u>188,928</u>	<u>191,477</u>
Share Capital	124,997	124,997
Reserves	28,941	22,431
Shareholders' Equity	<u>153,938</u>	<u>147,428</u>
Non-controlling interests	(19)	(19)
Total equity	<u>153,919</u>	<u>147,409</u>
Non Current Liabilities		
Loans and borrowings	14	17
Deferred tax liabilities	127	127
Deferred income	31,484	38,620
	<u>31,625</u>	<u>38,764</u>
Current Liabilities		
Payables	3,202	4,927
Loans and borrowings	182	327
Taxation	-	50
	<u>3,384</u>	<u>5,304</u>
Total Equity And Liabilities	<u>188,928</u>	<u>191,477</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.62</u>	<u>0.59</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2019.

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

	FY2019/20 3 Months ended 30-Sep-19 RM' 000	FY2018/19 3 Months ended 30-Sep-18 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,803	1,812
Adjustments for:		
Non-cash items	50	62
Share of results of an associate	1,771	763
Share of results of a joint venture	(7,451)	(1,302)
Non-operating items	(1,166)	(1,395)
	<u>7</u>	<u>(60)</u>
Net changes in current assets	1,673	(1,855)
Net changes in current liabilities	(1,410)	895
Cash used in operations	<u>270</u>	<u>(1,020)</u>
Interest income received	1,171	1,412
Interest expense paid	(5)	(17)
Tax paid	(416)	(554)
Net cash generated from / (used in) operating activities	<u>1,020</u>	<u>(179)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	12	10
Advance to a joint venture	(940)	-
Purchase of property, plant and equipment	(44)	(181)
Net cash used in investing activities	<u>(978)</u>	<u>(171)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(134)	(129)
Repayment of hire purchase creditors	(14)	(7)
Net cash used in financing activities	<u>(148)</u>	<u>(136)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(106)	(486)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	86,530	115,388
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>86,424</u>	<u>114,902</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2019.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 September 2019							
At 1st July 2019	124,997	2,704	(1,145)	20,872	147,428	(19)	147,409
					-		-
Dividend paid	-	-	-	-	-	-	-
Total comprehensive income for the period	-			6,510	6,510	-	6,510
					-		
At 30 September 2019	124,997	2,704	(1,145)	27,382	153,938	(19)	153,919
Year ended 30 September 2018							
At 1st July 2018	124,997	2,704	(1,145)	42,355	168,911	(19)	168,892
Total comprehensive income for the period	-	-	-	1,413	1,413	-	1,413
At 30 September 2018	124,997	2,704	(1,145)	43,768	170,324	(19)	170,305

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2019.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The 1st Quarter Ended 30 September 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 2019. 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 2019.

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 2019, except as disclosed below:

Effective for annual periods commencing on or after 1 January 2019

MFRS 16 Leases

MFRS 16 ‘Leases’ supercedes MFRS 117 ‘Leases’ and its related interpretations. MFRS 16 introduces a single accounting model for a lessee and eliminates the classification of leases by the lessee as either finance leases (on-statement of financial position) or operating leases (off-statement of financial position). The adoption of this standard did not have a material financial impact on the current quarter under review.

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:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 17	Insurance Contracts	1 January 2021
<u>Amendments/Improvements to MFRSs</u>		
MFRS 2	Share-based Payment	1 January 2020*
MFRS 3	Business Combinations	1 January 2020*
MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020*
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 14	Regulatory Deferral Accounts	1 January 2020*
MFRS 101	Presentation of Financial Statements	1 January 2020*

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MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020*
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>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

There were no dividends paid during the current interim financial period.

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

7. Segmental Information

(RM'000)	30-09-19 1st Qtr	30-09-18 1st Qtr	30-09-19 3 Mths Cum	30-09-18 3 Mths Cum
<u>Segment Revenue</u>				
Contract Manufacturing	6,402	6,879	6,402	6,879
Total	<u>6,402</u>	<u>6,879</u>	<u>6,402</u>	<u>6,879</u>
<u>Segment Results</u>				
Contract Manufacturing	256	159	256	159
Share of Results of an Associate	(1,771)	(763)	(1,771)	(763)
Share of Results of a Joint Venture	7,451	1,302	7,451	1,302
Others	867	1,114	867	1,114
Total	<u>6,803</u>	<u>1,812</u>	<u>6,803</u>	<u>1,812</u>

8. Subsequent Events

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

10. Capital Commitments

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

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

Contract Manufacturing

Current quarter & Year-to-date

Turnover for the current quarter fell 7% to RM6.4 million from that of RM6.9 million for the preceding year's corresponding quarter due to weaker sales. Profit before tax for the quarter was however higher at RM256,000 compared to that for the comparable quarter last year of RM159,000 as a result of better gross margins for its products coupled with on-going control over operating costs.

Power & Telecommunication Cables Manufacturing

Current quarter & Year-to-date

The Group's share of its associate's losses in the cables manufacturing segment amounting to RM1.77 million for the current quarter was higher than that of RM0.76 million for the corresponding quarter last year, on the back of a 47% fall in revenue from RM39.3 to RM20.9 million. The associate suffered a gross loss of RM735,000 compared with a gross profit of RM3.1 million for the previous year. The loss before tax was however mitigated partly by lower operating and administration expenses.

Property Development

Current quarter & Year-to-date

Property development segment carried out through a joint venture company, contributed an after-tax profit of RM7.5 million for the quarter under review as compared to that of RM1.3 million for the corresponding quarter in the previous year. This was due to a higher share of its joint-venture profits generated from sales revenue achieved representing 87% of the gross development value of units sold in Phase One of the Riana Dutamas project with slightly over 50% in overall progress works recognised.

Others

Current quarter & Year-to-date

Profit before tax has decreased from RM1.11 million in the corresponding quarter of the preceding year to RM867,000 in the current quarter mainly due to lower interest income earned.

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

2. Comparison with preceding quarter's result

The Group reported higher profit before tax for the current quarter amounting RM6.8 million compared to preceding quarter amounting RM4.1 million mainly due to reduced losses ascribed to the cables manufacturing segment and higher profit contribution from property development.

3. Commentary of Prospects

The coming months may see greater challenges in all segments of the Group's business in view of the anticipated slowing growth of the economy amidst continuing international trade tensions as well as the softer domestic market. The cable manufacturing business is not expected to turn around anytime soon while the contract manufacturing segment will be impacted by weaker growth in demand locally and overseas. The property segment will continue to book in progress billings on secured sales from Phase One of the project.

4. Variance on profit forecast

Not applicable

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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:

	30-09-19 Current Quarter RM'000	30-09-18 Current Quarter RM'000	30-09-19 12-months Cumulative RM'000	30-09-18 12-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	-	-	-	-
Interest income	(1,171)	(1,412)	(1,171)	(1,412)
Other income	-	(6)	-	(6)
Interest expenses	6	17	6	17
Depreciation and amortisation	50	62	50	62
(Gain)/ loss on foreign exchange	(16)	(11)	(16)	(11)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
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 Sep'2019 RM'000	Current Quarter Sep' 2018 RM'000
Income Tax:		
- Current year	394	399
Deferred Tax		
- Current year	(101)	-
	293	399
Profit / loss before taxation:	<u>6,803</u>	<u>1,812</u>
Tax at applicable rate of 24%	1,633	435
Effect of share of results of an associate and joint venture	(1,363)	(124)
Non-deductible expenses	23	88
	293	399

7. Group Borrowings and Debt Securities

	As at 1st quarter ended FY2020		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	-	167	167
Hire Purchase	14	15	29
Total	14	182	196
	As at 1st quarter ended FY2019		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	168	558	726
Hire Purchase	29	14	43
Total	197	572	769

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.

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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	
	30-09-19	30-09-18	30-09-19	30-09-18
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders	6,510	1,413	6,510	1,413
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
<i>Basic earnings per share (sen)</i>	<i>2.60</i>	<i>0.57</i>	<i>2.60</i>	<i>0.57</i>

By Order of the Board

Dato' Teo Ker Wei
Executive Director

25 November 2019
Kuala Lumpur