

FCW HOLDINGS BERHAD (Company No. : 3116 K)
Summary of Key Financial Information for the period ended 31 March 2020

	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	%
	31/3/2020 RM'000	31/3/2019 RM'000	RM'000		31/3/2020 RM'000	31/3/2019 RM'000	RM'000	
1 Revenue	5,474	7,116	(1,642)	-23%	16,654	20,736	(4,082)	-20%
2 Profit / (Loss) From Continuing Operations Before Tax	8,388	(2,701)	11,089	-411%	23,370	579	22,791	3936%
3 Profit / (Loss) From Continuing Operations for the Period	7,890	(2,923)	10,813	-370%	22,359	(622)	22,981	-3695%
4 Profit / (Loss) for the Period and Other Comprehensive Income Attributable to Owners of the Company	7,890	(2,923)	10,813	-370%	19,142	(622)	19,764	-3177%
5 Basic earnings / (loss) per share (sen)	3.16	(1.17)	4.33	-370%	7.66	(0.25)	7.91	-3177%
6 Proposed/Declared dividend per share (sen)	0.00	10.00	(10.00)		0.00	10.00	(10.00)	

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

	INDIVIDUAL		Individual changes	
	Current Year Quarter	Immediate Preceding Quarter	Amount	%
	31/3/2020 RM'000	31/12/2019 RM'000	RM'000	
1 Revenue	5,474	4,778	696	14.6%
2 Profit Before Tax	8,388	6,408	1,980	31%
3 Profit for the Period	7,890	6,188	1,702	28%
4 Profit for the Period and Other Comprehensive Income Attributable to Owners of the Company	7,890	4,742	3,148	66%
5 Basic Profit per share (sen)	3.16	1.90	1.26	66%
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)	0.67	0.59

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31/3/2020 RM'000	31/3/2019 RM'000	31/3/2020 RM'000	31/3/2019 RM'000
1 Gross interest income	1,034	1,534	3,382	4,237
2 Gross interest expense	-	(11)	(8)	(42)

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

(Unaudited)

	FY 2019/20 Current Quarter Ended 31-Mar RM'000	FY 2018/19 Comparative Quarter Ended 31-Mar RM'000	FY 2019/20 Current 9 Months Cumulative To Date RM'000	FY 2018/19 Comparative 9 Months Cumulative To Date RM'000	
Revenue	5,474	7,116	16,654	20,736	
Cost of Sales	<u>(4,291)</u>	<u>(5,678)</u>	<u>(13,242)</u>	<u>(16,331)</u>	
Gross Profit	1,183	1,438	3,412	4,405	
Other Income	1,036	1,380	3,415	4,255	
Other Items of Expenses					
Administrative Expenses	(382)	(531)	(1,291)	(1,504)	
Marketing Expenses	(6)	(25)	(42)	(43)	
Other Expenses	(1,077)	(1,147)	(2,804)	(2,755)	
Share of Results of a Joint Venture	<u>7,634</u>	<u>7,748</u>	<u>20,688</u>	<u>10,434</u>	
Profit From Continuing Operations	8,388	8,863	23,378	14,792	
Finance Costs	<u>-</u>	<u>(11)</u>	<u>(8)</u>	<u>(42)</u>	
Profit From Continuing Operations Before Tax	8,388	8,852	23,370	14,750	
Taxation	<u>(498)</u>	<u>(222)</u>	<u>(1,011)</u>	<u>(1,201)</u>	
Profit From Continuing Operations for the Period	7,890	8,630	22,359	13,549	
Losses From Discontinued Operation, Including Disposal	-	(11,553)	(3,217)	(14,171)	
Other Comprehensive Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total Comprehensive Income / (Loss) for the period	<u><u>7,890</u></u>	<u><u>(2,923)</u></u>	<u><u>19,142</u></u>	<u><u>(622)</u></u>	
Profit / (Loss) for the Period and Other Comprehensive Income / (Loss) Attributable to:					
Owners of the Company	7,890	(2,923)	19,142	(622)	
Non-controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
	<u><u>7,890</u></u>	<u><u>(2,923)</u></u>	<u><u>19,142</u></u>	<u><u>(622)</u></u>	
Earnings per share Attributable to Owners of the Company (sen per share)					
- Basic	Profit for the Period and Other Comprehensive Income Attribu	3.16	(1.17)	7.66	(0.25)
(i) Earning per share From Continuing Operation Attributable to Owners of the Company (sen per share)		3.16	3.45	8.95	5.42
(ii) Losses per share From Discontinued Operation Attributable to Owners of the Company (sen per share)		-	(4.62)	(1.29)	(5.67)

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 31 MARCH 2020
(Unaudited)

	As At 31-Mar 2020 RM'000	As At 30-Jun 2019 RM'000
Non Current Assets		
Property, plant and equipment	4,506	4,581
Investment property	3,100	3,100
Investment in an associate	-	5,216
Other Investment	698	682
Deferred tax asset	944	906
Receivables	82,768	75,412
Goodwill on consolidation	1,726	1,726
	<u>93,742</u>	<u>91,623</u>
Current Assets		
Inventories	4,639	5,466
Receivables	3,770	5,653
Tax recoverable	339	2,205
Cash and cash equivalents	86,613	86,530
	<u>95,361</u>	<u>99,854</u>
Total Assets	<u>189,103</u>	<u>191,477</u>
Share Capital	124,997	124,997
Reserves	41,573	22,431
Shareholders' Equity	<u>166,570</u>	<u>147,428</u>
Non-controlling interests	(19)	(19)
Total equity	<u>166,551</u>	<u>147,409</u>
Non Current Liabilities		
Loans and borrowings	6	17
Deferred tax liabilities	127	127
Deferred income	18,941	38,620
	<u>19,074</u>	<u>38,764</u>
Current Liabilities		
Payables	3,463	4,927
Loans and borrowings	15	327
Taxation	-	50
	<u>3,478</u>	<u>5,304</u>
Total Equity And Liabilities	<u>189,103</u>	<u>191,477</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.67</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 31 MARCH 2020
(Unaudited)

	FY2019/20 9 Months ended 31-Mar-20 RM' 000	FY2018/19 9 Months ended 31-Mar-19 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	20,153	579
Adjustments for:		
Non-cash items	151	169
Share of results of an associate	3,217	14,171
Pr: Share of results of a joint venture	(20,688)	(10,434)
Non-operating items	(3,374)	(4,195)
	<u>(541)</u>	<u>290</u>
Net changes in current assets	2,710	(1,336)
Net changes in current liabilities	(456)	305
Cash used in operations	<u>1,713</u>	<u>(741)</u>
Interest income received	3,382	4,237
Interest expense paid	(8)	(42)
Tax paid	767	(2,182)
Net cash generated from operating activities	<u>5,854</u>	<u>1,272</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	40	4
Advance to a joint venture	(7,356)	(4,814)
Purchase of property, plant and equipment	(116)	(230)
Pr: Placement of other investment	(16)	(11)
Disposal of investment in associate	2,000	-
Net cash used in investing activities	<u>(5,448)</u>	<u>(5,051)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(312)	(397)
Repayment of hire purchase creditors	(11)	(20)
Net cash used in financing activities	<u>(323)</u>	<u>(417)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	83	(4,196)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	86,530	115,388
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>86,613</u>	<u>111,192</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 31 MARCH 2020
(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 31 March 2020							
At 1st July 2019	124,997	2,704	(1,145)	20,872	147,428	(19)	147,409
Capital reserves							
	Profit / (Loss) for the Period						
			-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
Total comprehensive income for the period	-			19,142	19,142	-	19,142
At 31 March 2020	124,997	2,704	(1,145)	40,014	166,570	(19)	166,551
Year ended 31 March 2019							
At 1st July 2018	124,997	2,704	(1,145)	42,355	168,911	(19)	168,892
Exercise of warrants							
	Profit for the Period						
			-	-	-	-	-
Adjustment to accumulated losses upon adoption of MFRS 9	-	-	-	(93)	(93)	-	(93)
Dividend paid				(24,999)	(24,999)	-	(24,999)
Total comprehensive loss for the period	-	-	-	(622)	(622)	-	(622)
At 31 March 2019	124,997	2,704	(1,145)	16,641	143,197	(19)	143,178

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.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS For The 2nd Quarter Ended 31 December 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)	31-03-20 3rd Qtr	31-03-19 3rd Qtr	31-03-20 9 Mths Cum	31-03-19 9 Mths Cum
<u>Segment Revenue</u>				
Contract Manufacturing	5,474	7,116	16,654	20,736
Total	<u>5,474</u>	<u>7,116</u>	<u>16,654</u>	<u>20,736</u>
<u>Segment Results</u>				
Contract Manufacturing	89	144	349	1,142
Share of Results of an Associate	-	(11,553)	(3,217)	(14,171)
Share of Results of a Joint Venture	7,634	7,748	20,688	10,434
Others	665	960	2,333	3,174
Total	<u>8,388</u>	<u>(2,701)</u>	<u>20,153</u>	<u>579</u>

8. Subsequent Events

There was no material events subsequent to the end of the financial quarter ended 31 March 2020.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter ended 31 March 2020.

10. Capital Commitments

The Group has no material capital commitment in respect of property, plant and equipment as at 31 March 2020.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

Contract Manufacturing

Current quarter

Turnover for the quarter fell 23% to RM5.5 million from that of RM7.1 million for the corresponding quarter in previous year. The decline in sales was mainly due to negative market sentiments and a loss of business confidence both locally as well as internationally following a general reduction in consumers' purchasing power and the effects of the Covid-19 pandemic. This was reflected in the drop in orders by major customers especially for personal care products.

Year to date

Year to-date turnover decreased some 20% to RM16.7 million from that of RM20.7 million for the period last year. As a result, profit before tax for the nine months of the current year was lower at RM349,000 compared to that of RM1.1 million for the previous year, despite a reduction in operating expenses this year for the comparable periods. Already slowing sales reported for the previous quarters of the current year due to weak consumer demand were further aggravated by the onslaught of the Covid-19 pandemic putting a dampener on local and export sales following the various containment measures taken which affected the sale and distribution of products to customers.

Cables Manufacturing

Current quarter

As the Group has disposed of its investment in its associate, Fujikura Federal Cables Sdn Bhd involved in the manufacturing of cables, there was no contribution from this segment for the current quarter.

Year to date

For the period up to its disposal, the Group's share of its associate's operating losses was RM2.7 million compared to its share of losses amounting to RM14.2 million for the preceding year. The Group disposed of its investment in this associate in the preceding quarter with a loss on disposal of RM510,296.

Property Development

Current quarter

The quarter reported an after-tax profit of RM7.6 million which was comparable to that of RM7.7 million for the corresponding quarter in the previous year. Progress billings for Phase One of the Riana Dutamas project have reached 67% of its progress completion with close to 94% of its units sold to-date.

Year to date

Profit after tax for the 9-month period of the current financial year amounted to RM20.7 million against that of RM10.4 million for the same period last year. Total revenue recognized at end of reporting period was 63% of its total GDV of RM570 million.

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

Others

Current quarter

Profit before tax has decreased from RM960,000 in the corresponding quarter of the preceding year to RM665,000 in the current quarter was mainly due to lower interest income earned.

Year to date

Profit before tax has decreases from RM3.17 million in the corresponding quarter of the preceding year to RM2.33 million in the current quarter was mainly due to lower interest income earned.

2. Comparison with preceding quarter's result

Profit before tax from continuing operations of RM8.4 million was higher than that of the preceding quarter of RM6.4 million on the back of higher profit contributions reported for property development as well as contract manufacturing activities with the latter's revenue up by 14% to RM5.5 million from that for the preceding quarter. Profit after tax for the current quarter amounting to RM7.9 million was also higher than that of RM4.7 million for the preceding quarter due to losses incurred during the latter period from discontinued operation and disposal of its associate involved in cables manufacturing.

3. Commentary of Prospects

In view of the uncertainties surrounding the local economy and the overseas markets battered by the Covid-19, with no indications of their recovery clearly in sight, the Group expects its performance in the near term to be affected by the continued effects of the pandemic, which may hinder the delivery of, and market demand for, its products as well as the progress of construction activities related to its property development segment.

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:

	31-03-2020 Current Quarter RM'000	31-3-2019 Current Quarter RM'000	31-3-2020 9-months Cumulative RM'000	31-3-2019 9-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	-	-	-	-
Interest income	(1,034)	(1,534)	(3,382)	(4,237)
Interest expenses	-	11	8	42
Depreciation and amortisation	51	52	151	169
(Gain)/ loss on foreign exchange	(2)	(3)	(25)	(18)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-

6. Tax

	Current Quarter Mar'20 RM'000	Current Quarter Mar'19 RM'000
Income Tax:		
- Current year	375	571
- Under / (over) provision in prior years	226	(43)
Deferred Tax		
- Current year	(103)	(306)
	498	222
Profit / loss before taxation:	<u>8,388</u>	<u>(2,701)</u>
Tax at applicable rate of 24%	2,013	(648)
Effect of share of results of joint venture	(1,832)	913
Income Tax		
-Under / (over) provision in prior years	226	(43)
Non-deductible expenses	91	
	498	222

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	YTD Mar'20	YTD Mar'19
	RM'000	RM'000
Income Tax:		
- Current year	1,092	1,342
- Under / (over) provision in prior years	226	165
Deferred Tax		
- Current year	(307)	(306)
	1,011	1,201
Profit / loss before taxation:	<u>20,153</u>	<u>579</u>
Tax at applicable rate of 24%	4,837	139
Effect of share of results of an associate and joint venture	(4,193)	897
Income Tax		
-Under / (over) provision in prior years	226	165
Non-deductible expenses	141	
	1,011	1,201

7. Group Borrowings and Debt Securities

	As at 3 rd quarter ended FY2020		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	-	-	-
Hire Purchase	6	15	21
Total	6	15	21
	As at 3 rd quarter ended FY2019		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	-	452	452
Hire Purchase	22	14	36
Total	22	466	488

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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	
	31-03-20	31-03-19	31-03-20	31-03-19
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders	7,890	(2,923)	19,142	(622)
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
<i>Basic earnings per share (sen)</i>	<i>3.16</i>	<i>(1.17)</i>	<i>7.66</i>	<i>(0.25)</i>

By Order of the Board

Dato' Teo Ker Wei
Executive Director

29 June 2020
Kuala Lumpur