

FCW HOLDINGS BERHAD (Company No. : 3116 K)
Summary of Key Financial Information for the period ended 30 June 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	%
	30/6/2020 RM'000	30/6/2019 RM'000	RM'000		30/6/2020 RM'000	30/6/2019 RM'000	RM'000	
1 Revenue	4,495	8,279	(3,784)	-46%	21,149	29,015	(7,866)	-27%
2 Profit / (Loss) From Continuing Operations Before Tax	332	6,337	(6,005)	-95%	23,702	21,087	2,615	12%
3 Profit / (Loss) From Continuing Operations for the Period	106	6,343	(6,237)	-98%	22,465	19,892	2,573	13%
4 Profit / (Loss) for the Period and Other Comprehensive Income Attributable to Owners of the Company	104	4,138	(4,034)	-97%	19,246	3,516	15,730	447%
5 Basic earnings per share (sen)	0.04	1.66	(1.61)	-97%	7.70	1.41	6.29	447%
6 Proposed/Declared dividend per share (sen)	0.00	0.00	0.00		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	%
	30/6/2020 RM'000	31/03/2020 RM'000	RM'000	
1 Revenue	4,495	5,474	(979)	-17.9%
2 Profit Before Tax	332	8,388	(8,056)	-96%
3 Profit for the Period	106	7,890	(7,784)	-99%
4 Profit for the Period and Other Comprehensive Income Attributable to Owners of the Company	104	7,890	(7,786)	-99%
5 Basic Profit per share (sen)	0.04	3.16	(3.12)	-99%
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
	30/6/2020 RM'000	30/6/2019 RM'000	30/6/2020 RM'000	30/6/2019 RM'000
1 Gross interest income	1,025	1,177	4,407	5,414
2 Gross interest expense	(40)	(8)	(48)	(50)

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 30-Jun RM'000	FY 2018/19 Comparative Quarter Ended 30-Jun RM'000	FY 2019/20 Current 12 Months Cumulative To Date RM'000	FY 2018/19 Comparative 12 Months Cumulative To Date RM'000
Revenue	4,495	8,279	21,149	29,015
Cost of Sales	<u>(3,435)</u>	<u>(6,369)</u>	<u>(16,677)</u>	<u>(22,700)</u>
Gross Profit	1,060	1,910	4,472	6,315
Other Income	1,218	1,135	4,633	5,390
Other Items of Expenses				
Administrative Expenses	(349)	(374)	(1,640)	(1,878)
Marketing Expenses	(2)	(2)	(44)	(45)
Other Expenses	(2,501)	(823)	(5,305)	(3,578)
Share of Results of a Joint Venture	946	4,499	21,634	14,933
Profit From Continuing Operations	372	6,345	23,750	21,137
Finance Costs	<u>(40)</u>	<u>(8)</u>	<u>(48)</u>	<u>(50)</u>
Profit From Continuing Operations Before Tax	332	6,337	23,702	21,087
Taxation	<u>(226)</u>	<u>6</u>	<u>(1,237)</u>	<u>(1,195)</u>
Profit From Continuing Operations After Tax	106	6,343	22,465	19,892
Losses From Discontinued Operation, Including Disposal	-	(2,203)	(3,217)	(16,374)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the year	<u>106</u>	<u>4,140</u>	<u>19,248</u>	<u>3,518</u>
Profit for the Period and Other Comprehensive Income Attributable to:				
Owners of the Company	104	4,138	19,246	3,516
Non-controlling Interests	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>106</u>	<u>4,140</u>	<u>19,248</u>	<u>3,518</u>
Earnings per share Attributable to Owners of the Company (sen per share)				
- Basic	0.04	1.66	7.70	1.41
(I) Earning per share From Continuing Operation Attributable to Owners of the Company (sen per share)	0.04	2.54	8.99	7.96
(ii) Losses per share From Discontinued Operation Attributable to Owners of the Company (sen per share)	-	(0.88)	(1.29)	(6.55)

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 JUNE 2020
(Unaudited)

	As At 30-Jun 2020 RM'000	As At 30-Jun 2019 RM'000
Non Current Assets		
Property, plant and equipment	4,539	4,581
Investment property	3,100	3,100
Investment in an associate	-	5,216
Other Investment	703	682
Deferred tax asset	1,040	906
Receivables	85,913	75,412
Goodwill on consolidation	-	1,726
Right of use assets - ROU	410	-
	<u>95,705</u>	<u>91,623</u>
Current Assets		
Inventories	4,683	5,466
Receivables	3,484	5,653
Tax recoverable	411	2,205
Cash and cash equivalents	83,970	86,530
	<u>92,548</u>	<u>99,854</u>
Total Assets	<u>188,253</u>	<u>191,477</u>
Share Capital	124,997	124,997
Reserves	41,679	22,431
Shareholders' Equity	<u>166,676</u>	<u>147,428</u>
Non-controlling interests	(19)	(19)
Total equity	<u>166,657</u>	<u>147,409</u>
Non Current Liabilities		
Loans and borrowings	3	17
Deferred tax liabilities	150	127
Lease Liabilities -ROU	429	-
Deferred income	18,448	38,620
	<u>19,030</u>	<u>38,764</u>
Current Liabilities		
Payables	2,551	4,927
Loans and borrowings	15	327
Taxation	-	50
	<u>2,566</u>	<u>5,304</u>
Total Equity And Liabilities	<u>188,253</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 30 JUNE 2020
(Unaudited)

	FY2019/20 12 Months ended 30-Jun-20 RM' 000	FY2018/19 12 Months ended 30-Jun-19 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	20,485	4,713
Adjustments for:		
Non-cash items	279	222
Share of results of an associate	3,217	16,374
Share of results of a joint venture	(21,634)	(14,933)
Non-operating items	(4,359)	(5,364)
	<u>(2,012)</u>	<u>1,012</u>
Net changes in current assets	2,952	(723)
Net changes in current liabilities	(463)	841
	<u>477</u>	<u>1,130</u>
Cash used in operations	477	1,130
Interest income received	4,407	5,414
Interest expense paid	(48)	(50)
Tax paid	373	(2,459)
	<u>5,209</u>	<u>4,035</u>
Net cash generated from operating activities	5,209	4,035
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	(21)	46
Advance to a joint venture	(10,501)	(7,068)
Purchase of property, plant and equipment	(216)	(288)
Right of use assets -ROU	(410)	-
Impairment loss of goodwill	1,726	-
Placement of other investment	(21)	(23)
Disposal of investment in associate	2,000	-
	<u>(7,443)</u>	<u>(7,333)</u>
Net cash used in investing activities	(7,443)	(7,333)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(317)	(542)
Repayment of hire purchase creditors	(9)	(18)
Dividend paid on ordinary shares	-	(25,000)
	<u>(326)</u>	<u>(25,560)</u>
Net cash used in financing activities	(326)	(25,560)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,560)	(28,858)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	86,530	115,388
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>83,970</u>	<u>86,530</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 JUNE 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 30 June 2020							
At 1st July 2019	124,997	2,704	(1,145)	20,872	147,428	(19)	147,409
Total comprehensive income for the period	-	-	-	19,248	19,248	-	19,248
At 30 June 2020	124,997	2,704	(1,145)	40,120	166,676	(19)	166,657
Year ended 30 June 2019							
At 1st July 2018	124,997	2,704	(1,145)	42,355	168,911	(19)	168,891
Dividend paid	-	-	-	(25,000)	(25,000)	-	(25,000)
Total comprehensive income for the period	-	-	-	3,518	3,518	-	3,518
At 30 June 2019	124,997	2,704	(1,145)	20,873	147,429	(19)	147,409

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 4th Quarter Ended 30 June 2020**

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)	30-06-20 4th Qtr	30-06-19 4th Qtr	30-06-20 12 Mth Cum	30-06-19 12 Mth Cum
<u>Segment Revenue</u>				
Contract Manufacturing	4,495	8,279	21,149	29,015
Total	<u>4,495</u>	<u>8,279</u>	<u>21,149</u>	<u>29,015</u>
<u>Segment Results</u>				
Contract Manufacturing	195	960	545	2,102
Share of Results of an Associate	-	(2,203)	(3,217)	(16,374)
Share of Results of a Property Development Joint Venture	946	4,499	21,634	14,933
Others	(809)	878	1,523	4,053
Total	<u>332</u>	<u>4,134</u>	<u>20,485</u>	<u>4,714</u>

8. Subsequent Events

There was no material events subsequent to the end of the financial quarter ended 30 June 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 30 June 2020.

10. Capital Commitments

The Group has no material capital commitment in respect of property, plant and equipment as at 30 June 2020.

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

Contract Manufacturing

Current quarter

Turnover for the quarter fell 45% to RM4.5 million from that of RM8.3 million for the corresponding quarter in previous year. The continued negative effect on consumers' spending caused by the pandemic coupled with the general slow-down of the economy resulted in the poorer performance of the segment which recorded a profit before tax of RM195,000 compared to RM960,000 last year.

Year to date

The current year saw a drop of some 27% in turnover to RM21.1 million from that of RM29.0 million for the previous year, resulting in a lower profit before tax of RM545,000 against RM2.1 million for the year before, in spite of a reduction in operating expenses during the year. Both local and export sales were lower as product distribution due to the restricted movements on shipment and delivery of products were affected during movement control order.

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 RM16.3 million for the whole of last year. The Group disposed of its investment in this associate in the current year with a loss on disposal of RM510,296.

Property Development

Current quarter

The quarter reported an lower after-tax profit of RM0.9 million which was lower than that of RM4.5 million for the corresponding quarter in the previous year. Progress billings for phase One of the Riana Dutamas project were at 68% of its progress work completion with close to 95% of its units sold to-date. The quarter's performance was negatively impacted by work stoppage at the site following the movement control order.

Year to date

Profit after tax for the current financial year amounted to RM21.6 million against that of RM14.9 million for the year before. Total revenue recognized at end of reporting period was 65% 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 significant decreased from RM878,000 in the corresponding quarter to losses before tax of RM809,000 in the current quarter due to impairment loss of goodwill in a wholly-owned subsidiary.

Year to date

Profit before tax has decreased from RM4.1 million in the corresponding quarter of the preceding year to RM1.5 million in the current quarter was mainly due to lower interest income earned and impairment loss of goodwill.

2. Comparison with preceding quarter's result

Profit before tax from continuing operations of RM2.1 million was lower than that of the preceding quarter of RM8.4 million due to decreased profit contributions reported for property development as well as contract manufacturing activities. Construction activities as well as product deliveries were negatively impacted by the restrictions imposed by the authorities following the Covid-19 outbreak.

3. Commentary of Prospects

With uncertainties relating to the ending of the pandemic and the international trade tensions remaining unresolved, the coming year is expected to be just as challenging. The Group will nevertheless continue to exercise prudence in the managing of its financial performance while preparing to capitalize on any market opportunities that may present themselves in the coming months.

4. Variance on profit forecast

Not applicable

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:

	30-06-2020 Current Quarter RM'000	30-06-2019 Current Quarter RM'000	30-06-2020 12-months Cumulative RM'000	30-06-2019 12-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	-	-	-	-
Interest income	(1,025)	(1,177)	(4,407)	(5,414)
Interest expenses	40	8	48	50
Depreciation and amortisation	128	53	279	222
(Gain)/ loss on foreign exchange	(4)	(3)	(29)	(21)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	169	-	125

6. Tax

	Current Quarter Jun'20 RM'000	Current Quarter Jun'19 RM'000
Income Tax:		
- Current year	338	642
- Under / (over) provision in prior years	-	(569)
Deferred Tax		
- Current year	(112)	(79)
	226	(6)
Profit / loss before taxation:	<u>332</u>	<u>4,134</u>
Tax at applicable rate of 24%	80	992
Effect of share of results of joint venture	(228)	(551)
Income Tax		
-Under / (over) provision in prior years	-	(569)
Non-deductible expenses	374	122
	226	(6)

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	YTD Jun'20	YTD Jun'19
	RM'000	RM'000
Income Tax:		
- Current year	1,430	2,149
- Under / (over) provision in prior years	226	(569)
Deferred Tax		
- Current year	(419)	(385)
	1,237	1,195
Profit / loss before taxation:	<u>20,485</u>	<u>4,713</u>
Tax at applicable rate of 24%	4,916	1,131
Effect of share of results of an associate and joint venture	(4,421)	346
Income Tax		
-Under / (over) provision in prior years	226	(569)
Non-deductible expenses	516	287
	1,237	1,195

7. Group Borrowings and Debt Securities

	As at 4 th quarter ended FY2020		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	-	-	-
Hire Purchase	3	15	18
Total	3	15	18
	As at 4 th 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

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	
	30-06-20	30-06-19	30-06-20	30-06-19
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders	104	4,138	19,246	3,516
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
<i>Basic earnings per share (sen)</i>	<i>0.04</i>	<i>1.66</i>	<i>7.70</i>	<i>1.41</i>

By Order of the Board

Dato' Teo Ker Wei
Executive Director

27 August 2020
Kuala Lumpur