

FCW HOLDINGS BERHAD (Company No. : 3116 K)
Summary of Key Financial Information for the period ended 30 September 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	%
	30/9/2020 RM'000	30/9/2019 RM'000	RM'000		30/9/2020 RM'000	30/9/2019 RM'000	RM'000	
1 Revenue	5,446	6,402	(956)	-15%	5,446	6,402	(956)	-15%
2 Profit / (Loss) From Continuing Operations Before Tax	4,855	8,574	(3,719)	-43%	4,855	8,574	(3,719)	-43%
3 Profit / (Loss) From Continuing Operations for the Period	4,532	8,281	(3,749)	-45%	4,532	8,281	(3,749)	-45%
4 Profit / (Loss) for the Period and Other Comprehensive Income Attributable to Owners of the Company	4,532	6,510	(1,978)	-30%	4,532	6,510	(1,978)	-30%
5 Basic earnings per share (sen)	1.81	2.60	(0.79)	-30%	1.81	2.60	(0.79)	-30%
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	%
	30/9/2020 RM'000	30/06/2020 RM'000	RM'000	
1 Revenue	5,446	4,495	951	21.2%
2 Profit Before Tax	4,855	332	4,523	1362%
3 Profit for the Period	4,532	106	4,426	4175%
4 Profit for the Period and Other Comprehensive Income Attributable to Owners of the Company	4,532	104	4,428	4258%
5 Basic Profit per share (sen)	1.81	0.04	1.77	4432%
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)	0.68	0.67

ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/9/2020 RM'000	30/9/2019 RM'000	30/9/2020 RM'000	30/9/2019 RM'000
1 Gross interest income	1,140	1,171	1,140	1,171
2 Gross interest expense	-	(6)	-	(6)

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

(Unaudited)

	FY 2020/21 Current Quarter Ended 30-Sep RM'000	FY 2019/20 Comparative Quarter Ended 30-Sep RM'000	FY 2020/21 Current 3 Months Cumulative To Date RM'000	FY 2019/20 Comparative 3 Months Cumulative To Date RM'000
Revenue	5,446	6,402	5,446	6,402
Cost of Sales	<u>(4,160)</u>	<u>(5,192)</u>	<u>(4,160)</u>	<u>(5,192)</u>
Gross Profit	1,286	1,210	1,286	1,210
Other Income	1,154	1,188	1,154	1,188
Other Items of Expenses				
Administrative Expenses	(427)	(426)	(427)	(426)
Marketing Expenses	(5)	(5)	(5)	(5)
Other Expenses	(686)	(838)	(686)	(838)
Share of Results of a Joint Venture	<u>3,533</u>	<u>7,451</u>	<u>3,533</u>	<u>7,451</u>
Profit From Continuing Operations	4,855	8,580	4,855	8,580
Finance Costs	<u>-</u>	<u>(6)</u>	<u>0</u>	<u>(6)</u>
Profit From Continuing Operations Before Tax	4,855	8,574	4,855	8,574
Taxation	<u>(323)</u>	<u>(293)</u>	<u>(323)</u>	<u>(293)</u>
Profit From Continuing Operations After Tax	4,532	8,281	4,532	8,281
Losses From Discontinued Operation, Including Disposal	-	(1,771)	-	(1,771)
Other Comprehensive Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Comprehensive Income for the year	<u><u>4,532</u></u>	<u><u>6,510</u></u>	<u><u>4,532</u></u>	<u><u>6,510</u></u>
Profit for the Period and Other Comprehensive Income Attributable to:				
Owners of the Company	4,532	6,510	4,532	6,510
Non-controlling Interests	<u>4,532</u>	<u>6,510</u>	<u>4,532</u>	<u>6,510</u>
Earnings per share Attributable to Owners of the Company (sen per share)				
- Basic	1.81	2.60	1.81	2.60
(I) Earning per share From Continuing Operation Attributable to Owners of the Company (sen per share)	1.81	3.31	1.81	3.31
(ii) Losses per share From Discontinued Operation Attributable to Owners of the Company (sen per share)	-	(0.71)	-	(0.71)

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 2020.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020
(Unaudited)

	As At 30-Sep 2020 RM'000	As At 30-Jun 2020 RM'000
Non Current Assets		
Property, plant and equipment	4,497	4,539
Investment property	3,100	3,100
Investment in an associate	-	-
Other Investment	708	703
Deferred tax asset	1,189	1,040
Receivables	86,982	85,913
Goodwill on consolidation	-	-
Right of use assets - ROU	410	410
	<u>96,886</u>	<u>95,705</u>
Current Assets		
Inventories	4,492	4,683
Receivables	4,598	3,484
Tax recoverable	319	411
Cash and cash equivalents	83,937	83,970
	<u>93,346</u>	<u>92,548</u>
Total Assets	<u>190,232</u>	<u>188,253</u>
Share Capital	124,997	124,997
Reserves	44,995	41,679
Shareholders' Equity	<u>169,992</u>	<u>166,676</u>
Non-controlling interests	(19)	(19)
Total equity	<u>169,973</u>	<u>166,657</u>
Non Current Liabilities		
Loans and borrowings	-	3
Deferred tax liabilities	150	150
Lease Liabilities -ROU	429	429
Deferred income	16,358	18,448
	<u>16,937</u>	<u>19,030</u>
Current Liabilities		
Payables	3,308	2,551
Loans and borrowings	14	15
Taxation	-	-
	<u>3,322</u>	<u>2,566</u>
Total Equity And Liabilities	<u>190,232</u>	<u>188,253</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.68</u>	<u>0.67</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020
(Unaudited)

	FY2020/21 3 Months ended 30-Sep-20 RM' 000	FY2019/20 3 Months ended 30-Sep-19 RM' 000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,855	6,803
Adjustments for:		
Non-cash items	42	50
Share of results of an associate	-	1,771
Share of results of a joint venture	(3,533)	(7,451)
Gain on disposal of property, plant and equipment	(2)	-
Non-operating items	(1,140)	(1,166)
	<u>222</u>	<u>7</u>
Net changes in current assets	(923)	1,673
Net changes in liabilities	984	(1,410)
Cash used in operations	<u>283</u>	<u>270</u>
Interest income received	1,140	1,171
Interest expense paid	-	(5)
Tax paid	(380)	(416)
Net cash generated from operating activities	<u>1,043</u>	<u>1,020</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	15	12
Advance to a joint venture	(1,069)	(940)
Purchase of property, plant and equipment	(13)	(44)
Right of use assets -ROU	-	-
Placement of other investment	(5)	(6)
Net cash used in investing activities	<u>(1,072)</u>	<u>(978)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of short term borrowings	(4)	(134)
Repayment of hire purchase creditors	-	(14)
Dividend paid on ordinary shares		
Net cash used in financing activities	<u>(4)</u>	<u>(148)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(33)	(106)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	83,970	86,530
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>83,937</u>	<u>86,424</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020.

FCW HOLDINGS BERHAD (Company No. : 3116 K)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 September 2020							
At 1st July 2020	124,997	2,704	(1,145)	40,120	166,676	(19)	166,657
Adjustment of the MFRS 123 Borrowing Cost			-	(1,216)	(1,216)	-	(1,216)
Dividend paid	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,532	4,532	-	4,532
At 30 September 2020	124,997	2,704	(1,145)	43,436	169,992	(19)	169,973
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

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2020.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The 1st Quarter Ended 30 September 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 paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020. 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 2020.

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 2020, except as disclosed below:

The Group has adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January 2020. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group, other than as disclosed below:

IFRS Interpretations Committee (“IFRIC”)’s Agenda Decision on IAS 23 Borrowing Costs (“Agenda Decision”)

In March 2019, the IFRIC has concluded that receivable, contract asset and inventory (work-in-progress) for unsold units under construction are not qualifying assets.

The Malaysian Accounting Standards Board (“MASB”) announced that non-private entities in the real estate industry might need to change their accounting policy as a result of the IFRIC Agenda Decision. In ensuring consistent application of the MFRS, which are word-for-word the IFRS Standards, the MASB decided that an entity shall apply the change in accounting policy as a result of the Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020 (“Mandatory Date”). The impact of the change in accounting policy pursuant to the Agenda Decision related to the borrowing costs incurred on property under development in the joint venture is shown in the Statement of Changes in Equity of the unaudited interim financial statements.

FCW HOLDINGS BERHAD (3116-K)

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Company's financial statements for the year ended 30 June 2020 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.

FCW HOLDINGS BERHAD (3116-K)

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

7. Segmental Information

(RM'000)	30-09-20 1st Qtr	30-09-19 1st Qtr	30-09-20 3 Mth Cum	30-09-19 3 Mth Cum
<u>Segment Revenue</u>				
Contract Manufacturing	5,446	6,402	5,446	6,402
Total	<u>5,446</u>	<u>6,402</u>	<u>5,446</u>	<u>6,402</u>
<u>Segment Results</u>				
Contract Manufacturing	463	256	463	256
Share of Results of an Associate	-	(1,771)	-	(1,771)
Share of Results of a Property Development Joint Venture	3,533	7,451	3,533	7,451
Others	859	867	859	867
Total	<u>4,855</u>	<u>6,803</u>	<u>4,855</u>	<u>6,803</u>

8. Subsequent Events

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

10. Capital Commitments

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

PART B. NOTES PER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

1. Performance review

Contract Manufacturing

Current quarter & Year-to-date

Turnover for the quarter fell 15% to RM5.4 million from that of RM6.4 million for the corresponding quarter in previous year. The decline in turnover was due to continued negative effect on consumers' spending caused by the pandemic coupled with the general slow-down of the economy. Profit before tax for the quarter was however higher at RM463,000 compared to that for the comparable quarter last year of RM256,000 as a result of better gross margins for its sales mix products coupled with on-going control over operating costs.

Cables Manufacturing

Current quarter & Year-to-date

The Group disposed of its investment in its associate, Fujikura Federal Cables Sdn Bhd which was involved in the manufacturing of cables, in the second quarter of the previous financial year. Hence, there was no contribution from this segment for the current quarter as compared to a loss of RM1.7 million for the corresponding quarter last year.

Property Development

Current quarter & year-to-date

The quarter reported a lower after-tax profit of RM3.5 million which was lower than that of RM7.5 million for the corresponding quarter in the previous year. Progress billings for Phase One of the Riana Dutamas project were at 74% of its progress work completion with close to 97% of its units sold to-date. The quarter's performance was affected by the slower pace of construction activities at the project site following the movement control order.

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

Others

Current quarter & Year-to-date

Profit before tax has decrease from RM867,000 in the corresponding quarter of the preceding year to RM859,000 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 recorded at RM4.9 million for this quarter was higher than that of the preceding quarter of RM332,000 due to increased profit contributions reported for property development as well as contract manufacturing activities. Construction activities as well as product deliveries picked up in the current quarter as a result of a slight relaxation in the movement control restrictions compared to the preceding quarter.

3. Commentary of Prospects

The Group's performance for the rest of the financial year will depend on how the pandemic develops in the near future as the speed of the recovery of the economy will affect the sales of our recently launched Phase Two of the Riana Dutamas project and the progress billing of its sold properties. For the contract manufacturing segment, the demand for its products will also be similarly affected. Nevertheless, the Group is cautiously optimistic of a positive contribution from its businesses.

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:

	30-09-2020 Current Quarter RM'000	30-09-2019 Current Quarter RM'000	30-09-2020 3-months Cumulative RM'000	30-09-2019 3-months Cumulative RM'000
(Gain)/loss on disposal of property, plant & equipment	-	-	-	-
Interest income	(1,140)	(1,171)	(1,140)	(1,171)
Interest expenses	-	6	-	6
Depreciation and amortisation	42	50	42	50
(Gain)/ loss on foreign exchange	(4)	(16)	(4)	(16)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-

6. Tax

	YTD Sep'20 RM'000	YTD Sep'19 RM'000
Income Tax: - Current year	486	394
Deferred Tax - Current year	(163)	(101)
	323	293
Profit / loss before taxation:	<u>4,855</u>	<u>6,803</u>
Tax at applicable rate of 24%	1,165	1,633
Effect of share of results of an associate and joint venture	(848)	(1,363)
Non-deductible expenses	6	23
	323	293

7. Group Borrowings and Debt Securities

	As at 1st quarter ended FY2021		
	Long Term	Short Term	Total Borrowings
	RM'000 Denomination	RM'000 Denomination	RM'000 Denomination
Secured			
Term Loan	-	-	-
Hire Purchase	-	14	14
Total	-	14	14
	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

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	
	30-09-20	30-09-19	30-09-20	30-09-19
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders	4,532	6,510	4,532	6,510
Weighted average number of ordinary shares in issue	249,994	249,994	249,994	249,994
<i>Basic earnings per share (sen)</i>	<i>1.81</i>	<i>2.60</i>	<i>1.81</i>	<i>2.60</i>

By Order of the Board**Dato' Teo Ker Wei**
Executive Director**26 November 2020**
Kuala Lumpur