

Quarterly report on consolidated results for the third financial quarter ended 31st March 2019.

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.03.2019 RM'000	Quarter Ended 31.03.2018 RM'000	Year To Date Ended 31.03.2019 RM'000	Year To Date Ended 31.03.2018 RM'000
Revenue	599,547	619,129	1,840,102	2,006,891
Cost of Sales	<u>(570,153)</u>	<u>(603,635)</u>	<u>(1,757,261)</u>	<u>(1,918,066)</u>
Gross Profit	29,394	15,494	82,841	88,825
Other Operating Income	1,632	5,507	2,292	14,398
Selling and Distribution Costs	(5,020)	(4,836)	(13,985)	(14,127)
Administrative Expenses	(12,460)	(6,989)	(35,244)	(35,679)
Other Expenses	231	1,212	598	(6,174)
Finance Costs	<u>(3,139)</u>	<u>(3,298)</u>	<u>(9,759)</u>	<u>(9,390)</u>
Profit Before Tax	10,638	7,090	26,743	37,853
Tax Expense	<u>(1,825)</u>	<u>(1,801)</u>	<u>(4,551)</u>	<u>(454)</u>
Profit for the Period	8,813	5,289	22,192	37,399
Other Comprehensive Income/(Loss), net of tax	<u>(9)</u>	<u>(67)</u>	<u>(14)</u>	<u>2</u>
Total Comprehensive Income	<u>8,804</u>	<u>5,222</u>	<u>22,178</u>	<u>37,401</u>
Profit Attributable to :				
Owners of the parent	6,780	3,568	15,882	25,726
Non-Controlling Interest	<u>2,033</u>	<u>1,721</u>	<u>6,310</u>	<u>11,673</u>
	<u>8,813</u>	<u>5,289</u>	<u>22,192</u>	<u>37,399</u>
Basic earnings per share attributable to equity holders of the Company (sen)	<u>4.19</u>	<u>2.20</u>	<u>9.80</u>	<u>15.88</u>
Total Comprehensive Income Attributable to:				
Owners of the parent	6,769	3,527	15,869	25,742
Non-Controlling Interest	<u>2,035</u>	<u>1,695</u>	<u>6,309</u>	<u>11,659</u>
	<u>8,804</u>	<u>5,222</u>	<u>22,178</u>	<u>37,401</u>

The Condensed Consolidated Statement of Profits or Loss and Other Comprehensive Income should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31.03.2019 RM'000	Audited as at 30.06.2018 RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	76,933	70,583
Intangible Assets	11,261	11,261
Other Investment	10	10
Prepayment	-	400
	<u>88,204</u>	<u>82,254</u>
Current Assets		
Inventories	59,650	42,071
Trade Receivables	380,328	304,131
Other Receivables	31,402	22,471
Current Tax Assets	3,772	3,418
Derivative Assets	3,266	7,077
Deposits With Licensed Banks	15,200	58,200
Short Term Funds	27,649	-
Cash and Bank Balances	36,304	69,351
	<u>557,571</u>	<u>506,719</u>
TOTAL ASSETS	<u><u>645,775</u></u>	<u><u>588,973</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	95,147	95,147
Reserves	115,675	116,006
	<u>210,822</u>	<u>211,153</u>
Non-Controlling Interests	36,041	29,732
Total Equity	<u>246,863</u>	<u>240,885</u>
Non-Current Liabilities		
Long Term Loans	14,391	7,198
Hire Purchase Creditors	1,867	5,581
Retirement Benefit Obligations	643	782
Deferred Tax Liabilities	320	286
	<u>17,221</u>	<u>13,847</u>
Current Liabilities		
Trade Payables	93,695	69,687
Other Payables	44,039	24,693
Derivative Liabilities	1,297	7,823
Hire Purchase Creditors	1,456	2,183
Bank Borrowings	241,194	228,072
Current Tax Liabilities	10	1,783
	<u>381,691</u>	<u>334,241</u>
Total Liabilities	<u>398,912</u>	<u>348,088</u>
TOTAL EQUITY AND LIABILITIES	<u><u>645,775</u></u>	<u><u>588,973</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.30	1.30

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	Non- Distributable	Distributable	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
		Foreign Exchange Reserve RM'000	Retained Earnings RM'000			
9 months ended 31st March 2019						
At 1st July 2018	95,147	18	115,988	211,153	29,732	240,885
Profit For The Period	-	-	15,882	15,882	6,310	22,192
Foreign Currency Translation	-	(13)	-	(13)	(1)	(14)
Total Comprehensive Income	-	(13)	15,882	15,869	6,309	22,178
Dividend Paid	-	-	(16,200)	(16,200)	-	(16,200)
At 31st March 2019	95,147	5	115,670	210,822	36,041	246,863
9 months ended 31st March 2018						
At 1st July 2017	95,147	(42)	97,841	192,946	24,204	217,150
Profit For The Period	-	-	25,726	25,726	11,673	37,399
Foreign Currency Translation	-	16	-	16	(14)	2
Total Comprehensive Income	-	16	25,726	25,742	11,659	37,401
Dividend Paid	-	-	(12,960)	(12,960)	(6,050)	(19,010)
At 31st March 2018	95,147	(26)	110,607	205,728	29,813	235,541

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Consolidated Financial Statements for the financial year ended 30th June 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date Ended 31.03.2019 RM'000	Corresponding Year To Date Ended 31.03.2018 RM'000
Profit Before Taxation	26,743	37,853
Adjustment for :-		
Non-Cash Items	16,685	13,330
Non-Operating Items	(2,759)	(711)
Operating Profit Before Working Capital Changes	40,669	50,472
Changes in Working Capital		
Net Change in Current Assets	(104,425)	21,548
Net Change in Current Liabilities	43,200	(102,755)
Cash Used In Operating Activities	(20,556)	(30,735)
Tax Paid	(6,641)	(7,143)
Interest Paid	(9,759)	(9,390)
Net Cash Used In Operating Activities	(36,956)	(47,268)
Investing Activities		
Purchase of Property, Plant and Equipment	(12,443)	(19,632)
Interest Received	1,291	1,322
Placement of Deposits with Maturity periods of more than three months	(5,900)	(9,100)
Proceeds from Sale of Property, Plant and Equipment	27	431
Net Cash Used In Investing Activities	(17,025)	(26,979)
Financing Activities		
Dividend Paid to Shareholders	(16,200)	(19,010)
Drawings/(Repayments) of Borrowings	15,912	86,935
Net Cash From Financing Activities	(288)	67,925
Net Decrease in Cash and Cash Equivalents	(54,269)	(6,322)
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	9	99
Cash and Cash Equivalents at beginning of financial year	120,327	146,131
Cash and Cash Equivalents at end of financial period	66,067	139,908
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	15,200	28,700
Short Term Funds	27,649	26,681
Cash and Bank Balances	36,304	93,760
Bank Overdrafts	(86)	(133)
	79,067	149,008
Less: Deposits with maturity more than three months	(13,000)	(9,100)
	66,067	139,908

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2018 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT
A1 Basis of Preparation

The condensed consolidated interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30th June 2018. The explanatory notes attached to the condensed consolidated 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 30th June 2018.

A2 Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the financial year ended 30th June 2018 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's business operations are affected by macroeconomic cycles.

A4 Nature and Amount of Unusual Items

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A5 Nature and Amount of Changes in Estimates

There were no significant changes in estimates of amounts reported in prior quarter that have a material impact on the current financial quarter.

A6 Debt and Equity Securities

The Group was not involved in any issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A7 Dividend Paid

There was no dividend paid in the current quarter ended 31st March 2019.

A8 Segment Information

For management purposes, the Group is organized into three major business segments, namely edible oil products, tapware and sanitary ware and investments holdings/others. Inter-segment transactions are entered into in the normal course of business and are based on negotiated and mutually agreed terms.

	3 months ended 31st March 2019			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	590,439	9,108	-	599,547
Operating Profit/(Loss)	14,709	83	(1,015)	13,777
Profit/(Loss) Before Tax	11,596	64	(1,022)	10,638
Segments assets				
Total Assets	566,430	36,009	43,336	645,775

	3 months ended 31st March 2018			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
Segments revenues and results				
Revenue	608,430	10,699	-	619,129
Operating Profit/(Loss)	11,020	217	(849)	10,388
Profit/(Loss) Before Tax	7,760	184	(854)	7,090
Segments assets				
Total Assets	567,206	37,634	56,005	660,845

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT

A9 Property, Plant and Equipment

The valuations of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2018.

A10 Subsequent Material Events

As at the date of this report, there was no material event subsequent to the statement of financial position date that affect the results of the Group for the financial year todate.

A11 Changes in the Composition of the Group

There were no new corporate proposals during the current financial quarter under review.

A12 Changes in Contingent Liabilities

The contingent liabilities of the Company are as follows:-

	As at 31.03.2019 RM'000
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	<u>255,585</u>
(ii) Hire purchase and lease facilities granted to subsidiaries	<u>-</u>

A13 Capital Commitments

	As at 31.03.2019 RM'000
Authorised and contracted for	<u>7,200</u>
Authorised but not contracted for	<u>15,668</u>

A14 Comparative Figures

Certain comparative figures have been reclassified to conform with the current quarter's presentation.

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
B1 Review of Performance

The Group's performance for the quarter under review against the corresponding quarter of the previous financial year is tabled below:-

Description	Current Quarter				Cumulative Quarter			
	3rd Qtr 2019 RM'000	3rd Qtr 2018 RM'000	Changes RM'000	Variance %	3rd Qtr 2019 RM'000	3rd Qtr 2018 RM'000	Changes RM'000	Variance %
Revenue	599,547	619,129	(19,582)	-3%	1,840,102	2,006,891	(166,789)	-8%
Operating Profit	13,777	10,388	3,389	33%	36,502	47,243	(10,741)	-23%
Profit before tax	10,638	7,090	3,548	50%	26,743	37,853	(11,110)	-29%
Profit after tax	8,813	5,289	3,524	67%	22,192	37,399	(15,207)	-41%

For the current quarter, the Group recorded revenue of RM599.55 million, a decrease of 3% compared to revenue of RM619.13 million recorded in the corresponding quarter last year. The lower revenue is mainly due to the decrease in the quarterly average olein prices by 14% and a stronger Malaysian Ringgit against the US Dollar by 5%. Margins for operating profit and profit after tax however improved during the quarter due to the lower cost of sales resulted from the decrease in the quarterly average olein prices.

B2 Variation of Results Against Preceding Quarter

Description	3rd Qtr 2019 RM'000	2nd Qtr 2019 RM'000	Changes RM'000	Variance %
Revenue	599,547	620,457	(20,910)	-3%
Operating Profit	13,777	10,388	3,389	33%
Profit before tax	10,638	6,781	3,857	57%
Profit after tax	8,813	5,736	3,077	54%

For the current quarter, revenue decreased by 3% as compared to the preceding quarter due to the overall decrease in direct sales demand despite the higher quarterly average olein prices by 4% and the weaker Malaysian Ringgit against the US Dollar by 2%.

Profit before and after tax margins increased due to lower cost of sales in line with the decrease in revenue, as well as lower utilisation of bank facilities in effort to minimise finance cost.

B3 Current Year Prospects

The Group will continue with its expansion plans for revenue growth for its edible oil operations and with smart partnership tie-up with property developers for the tapware and sanitary ware divisions to enhance shareholders' value.

B4 Profit Forecast

Not applicable as no profit forecast was published.

B5 Tax Expense

Taxation for continuing operations comprises:

	Quarter Ended		Year To Date Ended	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
Taxation comprises:-				
- Income Tax				
Current Period	1,522	1,731	4,225	6,567
Under/(Over) provision	291	49	291	(3,256)
- Deferred Tax	12	21	35	(2,857)
	<u>1,825</u>	<u>1,801</u>	<u>4,551</u>	<u>454</u>

The Group's effective tax rate for the current quarter is lower than the statutory tax rate mainly due to the impact on reduced tax by a subsidiary which obtained approval for a tax incentive scheme.

**ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
B6 Corporate Proposal

There were no new corporate proposals during the current financial quarter under review.

B7 Bank Borrowings

Details of the Group's bank borrowings as at 31st March 2019 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	241,194	-	241,194
Non-Current	14,391	-	14,391
	<u>255,585</u>	<u>-</u>	<u>255,585</u>

B8 Derivative Financial Instruments

The derivative forward currency contracts were entered into with the objective of managing the Group's exposure to currency risk for receivables which are denominated in a currency other than the functional currency of the Group.

The derivatives below are initially recognised at fair value on the dates the derivative contracts are entered into and are subsequently re-measured at fair value through profit or loss to the financial statements. The resulting gain or loss from re-measurement is recognised in profit or loss to the financial statements.

The details of the foreign currency forward contracts are as follows:-

Type of Derivatives	Quarter Ended	
	31.03.2019 RM'000	31.03.2018 RM'000
Forward Contracts		
Less than 1 year		
Contract/Notional Value	490,478	505,765
Fair Value	1,969	8,764

There have been no changes in the types of derivative financial contracts entered into and the rationale for entering into such contracts since the end of the financial year ended 30th June 2018 and the risk management policies in place for mitigating or controlling the risk associated with the derivatives.

B9 Material Litigation

There are no litigation proceedings by or against the Group.

B10 Dividend

The Board of Directors do not recommend any dividend for the period ended 31st March 2019.

B11 Earnings Per Share

	Quarter Ended		Year To Date Ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Profit attributable to equity holders of the Company (RM'000)	6,780	3,568	15,882	25,726
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	4.19	2.20	9.80	15.88