

Quarterly Report on consolidated results for the third financial quarter ended 31st March 2022

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The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.03.2022 RM'000	Quarter Ended 31.03.2021 RM'000	Year To Date Ended 31.03.2022 RM'000	Year To Date Ended 31.03.2021 RM'000
Revenue	758,983	841,717	2,782,111	2,244,402
Cost of Sales	<u>(707,871)</u>	<u>(787,758)</u>	<u>(2,616,628)</u>	<u>(2,116,038)</u>
Gross Profit	51,112	53,959	165,483	128,364
Other Operating (Expenses)/Income	(14,363)	(702)	(7,909)	19,375
Selling and Distribution Costs	(3,452)	(3,778)	(10,818)	(11,869)
Administrative Expenses	(9,344)	(13,447)	(60,824)	(50,100)
Finance Costs	<u>(956)</u>	<u>(1,402)</u>	<u>(3,402)</u>	<u>(5,520)</u>
<b>Profit Before Tax</b>	22,997	34,630	82,530	80,250
Tax Expense	<u>(993)</u>	<u>(1,704)</u>	<u>(3,748)</u>	<u>(3,038)</u>
<b>Profit for the Period</b>	22,004	32,926	78,782	77,212
<b>Other Comprehensive Income, net of tax</b>	66	267	71	(174)
<b>Total Comprehensive Income</b>	<u>22,070</u>	<u>33,193</u>	<u>78,853</u>	<u>77,038</u>
<b>Profit Attributable to :</b>				
Owners of the parent	13,378	20,434	42,202	47,907
Non-Controlling Interest	<u>8,626</u>	<u>12,492</u>	<u>36,580</u>	<u>29,305</u>
	<u>22,004</u>	<u>32,926</u>	<u>78,782</u>	<u>77,212</u>
Basic earnings per share attributable to equity holders of the Company (sen)	<u>8.26</u>	<u>12.61</u>	<u>26.05</u>	<u>29.57</u>
<b>Total Comprehensive Income Attributable to:</b>				
Owners of the parent	13,399	20,771	42,226	47,803
Non-Controlling Interest	<u>8,671</u>	<u>12,422</u>	<u>36,627</u>	<u>29,235</u>
	<u>22,070</u>	<u>33,193</u>	<u>78,853</u>	<u>77,038</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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited as at 31.03.2022 RM'000	Audited as at 30.06.2021 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	73,630	76,353
Right-Of-Use Assets	15,733	18,791
Intangible Assets	17,261	17,261
Other Investment	10	10
	<u>106,634</u>	<u>112,415</u>
<b>Current Assets</b>		
Inventories	71,397	72,228
Trade Receivables	346,814	446,445
Other Receivables	5,521	19,745
Current Tax Assets	5,043	4,956
Derivative Assets	3,561	6,844
Deposits With Licensed Banks	25,550	26,300
Short Term Funds	64,153	-
Cash and Bank Balances	103,460	161,009
	<u>625,499</u>	<u>737,527</u>
<b>TOTAL ASSETS</b>	<u><u>732,133</u></u>	<u><u>849,942</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share Capital	95,147	95,147
Reserves	208,967	186,181
	<u>304,114</u>	<u>281,328</u>
<b>Non-Controlling Interests</b>	76,233	74,146
<b>Total Equity</b>	<u>380,347</u>	<u>355,474</u>
<b>Non-Current Liabilities</b>		
Long Term Loans	5,824	4,996
Retirement Benefit Obligations	659	578
Lease Liabilities	5,430	5,690
Deferred Tax Liabilities	1,020	1,020
	<u>12,933</u>	<u>12,284</u>
<b>Current Liabilities</b>		
Trade Payables	60,408	90,542
Other Payables	87,312	90,745
Derivative Liabilities	2,183	2,848
Lease Liabilities	758	1,959
Bank Borrowings	187,920	295,180
Current Tax Liabilities	272	910
	<u>338,853</u>	<u>482,184</u>
<b>Total Liabilities</b>	<u>351,786</u>	<u>494,468</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>732,133</u></u>	<u><u>849,942</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.88	1.74

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 2021 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			
<b>9 months ended 31st March 2022</b>						
At 1st July 2021	95,147	55	186,126	281,328	74,146	355,474
Profit For The Year	-	-	42,202	42,202	36,580	78,782
Foreign Currency Translation	-	24	-	24	47	71
Total Comprehensive Income	-	24	42,202	42,226	36,627	78,853
Dividend Paid	-	-	(19,440)	(19,440)	-	(19,440)
Dividend Paid To Non-Controlling Interest of A Subsidiary	-	-	-	-	(34,540)	(34,540)
At 31st March 2022	95,147	79	208,888	304,114	76,233	380,347
<b>9 months ended 31st March 2021</b>						
At 1st July 2020	95,147	156	132,360	227,663	40,134	267,797
Profit For The Year	-	-	47,907	47,907	29,305	77,212
Foreign Currency Translation	-	(104)	-	(104)	(70)	(174)
Total Comprehensive Income	-	(104)	47,907	47,803	29,235	77,038
Dividend Paid To Non-Controlling Interest of A Subsidiary	-	-	(16,200)	(16,200)	(8,690)	(24,890)
At 31st March 2021	95,147	52	164,067	259,266	60,679	319,945

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 2021 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Current Year To Date Ended 31.03.2022 RM'000	Corresponding Year To Date Ended 31.03.2021 RM'000
Profit Before Taxation	82,530	80,250
Adjustment for :-		
Non-Cash Items	13,788	14,865
Non-Operating Items	2,618	(13,282)
Operating Profit Before Working Capital Changes	<u>98,936</u>	<u>81,833</u>
Changes in Working Capital		
Net Change in Current Assets	112,981	(16,824)
Net Change in Current Liabilities	<u>(33,563)</u>	<u>25,860</u>
Cash From Operating Activities	178,354	90,869
Tax Paid	(4,474)	(6,515)
Interest Paid	<u>(3,402)</u>	<u>(5,520)</u>
Net Cash From Operating Activities	<u>170,478</u>	<u>78,834</u>
Investing Activities		
Purchase of Property, Plant and Equipment	(4,097)	(5,262)
Proceed From Disposal of Property, Plant and Equipment	-	222
Interest Received	966	1,302
Placement of Deposits with Maturity Periods of more than three months	<u>(6,500)</u>	<u>(5,000)</u>
Net Cash Used In Investing Activities	<u>(9,631)</u>	<u>(8,738)</u>
Financing Activities		
Dividend Paid to Shareholders	(19,440)	(16,200)
Dividend Paid to Non-Controlling Interest in a Subsidiary	(34,540)	(8,690)
Net Repayment of Borrowings	<u>(107,893)</u>	<u>(79,768)</u>
Net Cash Used In Financing Activities	<u>(161,873)</u>	<u>(104,658)</u>
Net Decrease in Cash and Cash Equivalents	(1,026)	(34,562)
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	380	(10)
Cash and Cash Equivalents at beginning of financial year	172,809	150,422
Cash and Cash Equivalents at end of financial period	<u>172,163</u>	<u>115,850</u>
Cash and cash equivalents carried forward consists of:-		
Deposits Placed with Financial Institutions	25,550	22,700
Short Term Funds	64,153	48,989
Cash and Bank Balances	<u>103,460</u>	<u>64,161</u>
	193,163	135,850
Less: Deposits with maturity more than three months	<u>(21,000)</u>	<u>(20,000)</u>
	<u>172,163</u>	<u>115,850</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30th June 2021 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 2021. 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 2021.

The accounting policies and methods of computation adopted by the Group in this condensed interim financial statements are consistent with the audited financial statements for the financial year ended 30th June 2021.

**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 2021 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 2022.

**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 2022			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
<b>Segments revenues and results</b>				
Revenue	754,158	4,825	-	758,983
Operating Profit/(Loss)	25,696	(570)	(1,173)	23,953
Profit/(Loss) Before Tax	24,767	(586)	(1,184)	22,997
<b>Segments assets</b>				
Total Assets	605,532	28,055	98,546	732,133

	3 months ended 31st March 2021			
	Edible oil products RM'000	Tapware and sanitary ware RM'000	Investment holdings/Others RM'000	Total RM'000
<b>Segments revenues and results</b>				
Revenue	835,744	5,973	-	841,717
Operating Profit/(Loss)	37,559	(253)	(1,274)	36,032
Profit/(Loss) Before Tax	36,186	(268)	(1,288)	34,630
<b>Segments assets</b>				
Total Assets	696,842	30,682	69,566	797,090

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT**

**A9 Property, Plant and Equipment**

The value of land and buildings have been brought forward, without amendment from the annual financial report for the financial year ended 30th June 2021.

**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 31.03.2022 RM'000
Guarantees given by the Company to financial institutions in respect of:-	
(i) Banking facilities granted to subsidiaries	<u>193,744</u>

**A13 Capital Commitments**

	As at 31.03.2022 RM'000
Authorised and contracted for	<u>212</u>
Authorised but not contracted for	<u>-</u>

**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 2022 RM'000	3rd Qtr 2021 RM'000	Changes RM'000	Variance %	3rd Qtr 2022 RM'000	3rd Qtr 2021 RM'000	Changes RM'000	Variance %
Revenue	758,983	841,717	(82,734)	-10%	2,782,111	2,244,402	537,709	24%
Operating Profit	23,953	36,032	(12,079)	-34%	85,932	85,770	162	0%
Profit before tax	22,997	34,630	(11,633)	-34%	82,530	80,250	2,280	3%
Profit after tax	22,004	32,926	(10,922)	-33%	78,782	77,212	1,570	2%

The revenue for the current quarter is lower than the corresponding quarter of the previous year due to the 30% drop in exported FCLs, which was supported by the over 50% increase in average olein prices and 1.5% appreciation of the USD against the RM.

Operating profit declined due to the higher realised forex losses and unrealised losses from our derivative forward sales contracts arising from the 1.5% appreciation of the USD. The record average olein prices at \$1,547 per metric tonne contributed to the 30% drop in exported FCLs as our end destination customers were cautious and held back on stocking up during the usual pre-Ramadhan period. Furthermore, we are more selective with the customers and destination markets we sell to in order to minimise risks of sales contract defaults in the event of a price crash whilst the cargo is enroute.

**B2 Variation of Results Against Preceding Quarter**

Description	3rd Qtr 2022 RM'000	2nd Qtr 2022 RM'000	Changes RM'000	Variance %
Revenue	758,983	958,780	(199,797)	-21%
Operating Profit	23,953	31,523	(7,570)	-24%
Profit before tax	22,997	30,394	(7,397)	-24%
Profit after tax	22,004	29,437	(7,433)	-25%

For the current quarter, revenue decreased by 21% due to the 17% drop in exported FCLs which was supported by the 18% increase in average olein prices.

Operating profit declined due to the higher realised forex losses and higher realised & unrealised losses from our derivative forward sales contracts arising from the 0.7% appreciation of the USD against the RM as compared to the preceding 2nd Qtr 2022.

**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	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
Taxation comprises:-				
- Income Tax				
Current Period	1,127	989	3,882	3,395
Under/(Over) provision in prior year	(134)	715	(134)	(336)
- Deferred Tax	-	-	-	(21)
	<u>993</u>	<u>1,704</u>	<u>3,748</u>	<u>3,038</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 2022 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current	187,920	-	187,920
Non-Current	1,106	-	1,106
	<u>189,026</u>	<u>-</u>	<u>189,026</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 and commodity forward contracts are as follows:-

Type of Derivatives	Quarter Ended	
	31.03.2022 RM'000	31.03.2021 RM'000
<b>Forward Contracts</b>		
Less than 1 year		
Contract/Notional Value	957,804	1,006,553
Fair Value	1,378	1,557

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 2021 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 2022.

**B11 Earnings Per Share**

	Quarter Ended		Year To Date Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Profit attributable to equity holders of the Company (RM'000)	13,378	20,434	42,202	47,907
Weighted average number of ordinary shares in issue ('000)	162,000	162,000	162,000	162,000
Basic earnings per share (sen)	8.26	12.61	26.05	29.57