

**Condensed Consolidated Statement of Comprehensive Income**  
**For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**

	Financial Period - first 6 Months			
	Q2-FYR 2022 RM'000	Q2-FYR 2021 RM'000	to 31-10-2021 RM'000	to 31-10-2020 RM'000
<b>Revenue</b>	112,258	269,104	417,824	561,091
Operating expenses	(112,304)	(241,592)	(392,601)	(500,048)
Other operating income/(expenses)				
Gain on foreign exchange	311	(2,060)	1,116	(1,825)
Others	136	459	197	524
<b>Profit from operations</b>	401	25,911	26,536	59,742
Investment related income	3,007	1,339	4,874	2,856
Finance costs	(81)	(143)	(219)	(296)
<b>Profit before tax</b>	3,327	27,107	31,191	62,302
[Before gain on disposal of property]				
Gain on disposal of property				
[Before real property gain tax, etc. - Note 14(b)]	16,889	-	16,889	-
<b>Profit before tax</b>	20,216	27,107	48,080	62,302
[After gain on disposal of property]				
Tax expense	(3,137)	(6,272)	(9,955)	(14,711)
<b>Profit for the period</b>	17,079	20,835	38,125	47,591
[Representing total comprehensive income for the period]				
<b>Total comprehensive income attributable to :</b>				
Owners of the Company	17,079	20,835	38,125	47,591
Non-controlling interests	-	-	-	-
	17,079	20,835	38,125	47,591
<b>Basic / diluted earnings per share (Sen)</b>	3.94	4.80	8.80	10.97
<b>Dividends per share (Sen)</b>				
- Interim dividend (Q1)	-	2.00	-	2.00
- <b>2nd interim dividend (Q2)</b>	<b>2.00</b>	<b>1.80</b>	<b>2.00</b>	<b>1.80</b>
- 3rd interim dividend (Q3), and Special dividend (Q3)	N/A	3.50	N/A	3.50
- 4th interim dividend (Q4)	N/A	2.80	N/A	2.80
	2.00	11.10	2.00	11.10

**Condensed Consolidated Statement of Financial Position as at 31 October 2021**

	Unaudited @ 31-10-2021	Audited @ 30-4-2021
<b>ASSETS</b>		
<b>Non-current assets</b>	RM'000	RM'000
Property, plant and equipment	57,617	58,295
Investment properties	1,068	1,078
Investment securities - Unquoted shares	17,820	17,820
	<u>76,505</u>	<u>77,193</u>
<b>Current assets</b>		
Inventories	288,210	249,482
Receivables	84,893	115,495
Investment securities - Money market unit trusts	123,683	257,803
Bank deposits and cash balances	263,060	83,139
	<u>759,846</u>	<u>705,919</u>
Non-current asset held for sale	-	6,119
	<u>759,846</u>	<u>712,038</u>
<b>TOTAL ASSETS</b>	<u>836,351</u>	<u>789,231</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	216,975	216,975
Reserves	502,869	476,881
Treasury shares	(686)	(686)
<b>Net equity funds</b>	719,158	693,170
<b>Non-controlling Interests</b>	26	26
<b>Total equity</b>	<u>719,184</u>	<u>693,196</u>
<b>Non-current liability</b>		
Deferred tax liabilities	5,597	5,918
<b>Current liabilities</b>		
Payables	104,393	79,685
Current tax liabilities	7,177	10,432
	<u>111,570</u>	<u>90,117</u>
<b>Total liabilities</b>	<u>117,167</u>	<u>96,035</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>836,351</u>	<u>789,231</u>
<b>Net assets per share (RM)</b>	1.66	1.60

## Notes :

- (1) The net assets per share is calculated based on the net equity funds divided by 433,450,579 being the no. of shares in issue with voting rights.
- (2) The annexed notes form an integral part of this interim financial report.

**Condensed Consolidated Statement of Changes in Equity**  
**For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**

	- - - - Attributable to Owners of the Parent Company - - - -						Total Equity
	Share Capital	Treasury Shares	Distributable Retained Profits	Total Reserves	Net Equity Funds	Non controlling Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b><u>For the financial period to 31 October 2021</u></b>							
Balance as at 1 May 2021	216,975	(686)	476,881	476,881	693,170	26	693,196
Total Comprehensive Income for the period	-	-	38,125	38,125	38,125	-	38,125
<b><u>Transaction with owners</u></b>							
Dividend in respect of FYR 2021	-	-	(12,137)	(12,137)	(12,137)	-	(12,137)
Balance as at 31 October 2021	<u>216,975</u>	<u>(686)</u>	<u>502,869</u>	<u>502,869</u>	<u>719,158</u>	<u>26</u>	<u>719,184</u>

(^) Available-for-sale

**For the financial period to 31 October 2020**

Balance as at 1 May 2020	216,975	(686)	392,194	392,194	608,483	25	608,508
Profit for the period	-	-	47,591	47,591	47,591	-	47,591
Other comprehensive income, net of tax	-	-	-	-	-	-	-
Total comprehensive Income	-	-	47,591	47,591	47,591	-	47,591
<b><u>Transaction with Owners</u></b>							
Dividend in respect of FYR 2020	-	-	(6,502)	(6,502)	(6,502)	-	(6,502)
Dividend in respect of FYR 2021	-	-	(8,669)	(8,669)	(8,669)	-	(8,669)
Balance as at 31 October 2020	<u>216,975</u>	<u>(686)</u>	<u>424,614</u>	<u>424,614</u>	<u>640,903</u>	<u>25</u>	<u>640,928</u>

The annexed notes form an integral part of this interim financial report.

**Condensed Consolidated Statement of Cash Flows**  
**For the Six Months Ended 31 October 2021**

	Unaudited 31-10-2021 RM'000	Unaudited 31-10-2020 RM'000
<b><u>Cash flows from operating activities</u></b>		
Profit before tax	48,080	62,302
Adjustments for :		
Depreciation	2,848	3,161
Dividend income	(2,922)	(2,201)
Gain on disposal of properties, plant and equipment	(16,947)	(389)
Interest income	(1,690)	(717)
Property, plant and equipment written off	2	9
Net unrealised loss on foreign exchange	1,023	(407)
<b>Operating profit before working capital changes</b>	<b>30,394</b>	<b>61,758</b>
Increase in inventories	(38,728)	(9,680)
Decrease in receivables	30,603	11,053
Increase in payables	23,685	33,209
<b>Cash generated from operations</b>	<b>45,954</b>	<b>96,340</b>
Net Income tax paid	(13,533)	(14,208)
<b>Net cash from operating activities</b>	<b>32,421</b>	<b>82,132</b>
<b><u>Cash flows from investing activities</u></b>		
Net dividends received	2,922	2,201
Interest received	1,690	717
Proceeds from disposal of property, plant and equipment	23,066	510
Purchase of plant and equipment	(2,161)	(7,861)
Placement of fixed deposits	(159,120)	(5,500)
<b>Net cash used in investing activities</b>	<b>(133,603)</b>	<b>(9,933)</b>
<b><u>Cash flows from financing activities</u></b>		
Dividends paid to shareholders of the Company	(12,137)	(15,171)
<b>Net cash used in financial activities</b>	<b>(12,137)</b>	<b>(15,171)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(113,319)</b>	<b>57,028</b>
Effects of changes in exchange rates on cash and cash equivalents	(1)	(1,046)
<b>Cash and cash equivalents at beginning</b>	<b>308,953</b>	<b>255,706</b>
<b>Cash and cash equivalents at end</b>	<b>195,633</b>	<b>311,688</b>
<b>Cash and cash equivalents comprise the followings :-</b>		
Investment in money market funds	123,683	233,063
Fixed deposits with licensed banks	260,256	101,430
Cash and bank balances	2,804	3,067
	386,743	337,560
Less : Fixed deposits with maturity more than three months	(191,110)	(25,872)
	<b>195,633</b>	<b>311,688</b>

## Notes :

(1) Investment in money market funds is classified as part of cash and cash equivalents as these investments are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(2) Fixed deposits with maturity of more than three months be deemed as cash flows from investing activities.

The annexed notes form an integral part of this interim financial report.

**Notes to the Financial Report For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**

## 1) Basis of preparation

The condensed consolidated interim financial report is unaudited and has been prepared in accordance with Malaysian Financial reporting Standards ("MFRS") 134 - Interim Financial Reporting and the requirements of paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2021 ("FYR 2021"). These explanatory notes attached to the interim financial statements provide and explanation of events and transactions that are significant to an understanding of the change in the financial position and performance of the Group since FYR 2021.

## Changes in accounting policies

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for FYR 2021. The Group has neither early adopted nor applied any new MFRSs, Amendments to MFRSs, IC Interpretations and annual Improvements to MFRSs that are issued but not yet effective for the Group's accounting period beginning 1 May 2021.

The adoption of newly effective MFRSs, Amendments to MFRSs, IC Interpretations and Annual Improvements to MFRSs are expected to have no significant financial impacts to the financial statements of the Group upon their initial application except for changes in presentation and additional disclosures of financial information.

## 2) Audit report of preceding annual financial statements

The auditors' report of the Company's most recent annual financial statements for FYR 2021 was not subject to any qualification.

## 3) Seasonal or cyclical factors

The operations of the Group were not materially affected by seasonal or cyclical factors.

## 4) Unusual items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the first six months ended 31 October 2021 ("financial period").

## 5) Material changes in estimates

There were no material changes in the estimates of amounts reported in the second quarter ended 31 October 2021 ("Q2-FYR 2022").

## 6) Change in composition of the Group

There were no changes in the composition of the Group during the financial period.

## 7) Share capital and treasury shares

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the financial period except for the following :

	No. of shares ('000)	Average price per share (RM)	Amount RM'000
Total treasury shares as at 1 May 2021 / 31 October 2021	<u>500</u>	<u>1.37</u>	<u>686</u>

The cumulative shares bought back are being held as treasury shares with none of the shares being cancelled or resold during the financial period.

As at 31 October 2021, the Company's no. of outstanding shares in issue with voting rights was 433,450,579 ordinary shares excluding 500,000 treasury shares (30 April 2021 : 433,450,579 ordinary shares).

## 8) Dividend paid

During the financial period, the Company paid on 28 July 2021 the 4th interim dividend for FYR 2021 of 2.8 sen per share amounting to RM12.137 million.

**Notes to the Financial Report For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**

## 9) Subsequent events

There were no material subsequent events occurred from the end of the reporting period up to the date of this announcement which require disclosure.

## 10) Segment information

	Financial period	
	RM'000	%
<u>Revenue</u>		
Garment manufacturing	368,079	88.1%
Packaging	49,745	11.9%
Total revenue - external	<u>417,824</u>	<u>100.0%</u>
<u>Results</u>	RM'000	
Garment manufacturing	25,250	
Packaging manufacturing and miscellaneous	<u>1,539</u>	
	26,789	
Unallocated corporate expenses	<u>(253)</u>	
Profit from operations	26,536	
Investment related Income :		
Dividend income	2,922	
Interest income	1,690	
Fair value loss on investment securities	(3)	
Gain on disposal of investment securities	265	
	4,874	
Finance costs (Non-interest)	<u>(219)</u>	
Profit before tax ("PBT") - before gain on disposal of property	31,191	
Gain on disposal of property	<u>16,889</u>	
PBT after gain on disposal of property	48,080	
Taxation expenses	<u>(9,955)</u>	
Net profit after tax ("PAT")	<u>38,125</u>	

## 11) Analysis of performance

The Group's businesses are principally divided into two business segments, namely the manufacturing and sale of (i) garments, and (ii) flexible plastic packaging goods and corrugated cartons.

The Garment segment accounted for about 88.1% and 94.3% of the Group's revenue and profit from operations (before gain on disposal of properties and unallocated corporate expenses) respectively for the financial period.

The key factors that affect the performance of garment business include mainly the labour costs, other operating costs, foreign currency exchange differences, demand for the garments and the ability of management to cope with change.

For the packaging segment, the key factors that affect its performance include mainly raw material costs, operating costs, demand for the packaging products and the ability of management to cope with change. Raw materials consist of kraft liner, test liner, medium papers, white papers, polyethylene resins and etc.

## Summary of the Group's results :

	Q2-FYR 2022	Q2-FYR 2021	%	Financial period	Financial period	%
	RM'000	RM'000		to 31-10-2021	to 31-10-2020	
Revenue	<u>112,258</u>	<u>269,104</u>	-58.3%	<u>417,824</u>	<u>561,091</u>	-25.5%
Profit from operations	<u>401</u>	<u>25,911</u>	-98.5%	<u>26,536</u>	<u>59,742</u>	-55.6%
PBT (before gain on disposal of property)	<u>3,327</u>	<u>27,107</u>	-87.7%	<u>31,191</u>	<u>62,302</u>	-49.9%
PBT (after gain on disposal of property)	<u>20,216</u>	<u>27,107</u>	-25.4%	<u>48,080</u>	<u>62,302</u>	-22.8%
PAT	<u>17,079</u>	<u>20,835</u>	-18.0%	<u>38,125</u>	<u>47,591</u>	-19.9%

**Notes to the Financial Report For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**Q2-FYR 2022 vs Preceding Year Corresponding Quarter (Q2-FYR 2021)

Revenue for Q2-FYR 2022 decreased by 58.3% to RM112.258 million from RM269.104 over Q2-FYR 2021 mainly due to the suspension of our Vietnam garment operations resulting from the major lockdown from 19 July 2021 to 30 September 2021 by their government to curb the fast-spreading wave of Covid-19 then. This had adversely affected the garment operations in Vietnam.

Garment revenue for Q2-FYR 2022 decreased by 65.2% to RM85.061 million from RM244.630 mainly due to suspension of Vietnam operations as explained above.

However, packaging revenue vs Q2-FYR 2021 increased by 11.1% to RM27.197 million from RM24.474 million mainly due to higher sale orders received.

PBT before gain on disposal of property for Q2-FYR 2022 dropped by 87.7% to RM3.327 million as compared to RM27.107 million in Q2-FYR 2021.

After accounting for gain on disposal of the vacant industrial property amounting to RM16.889 million, PBT of the Group for Q2-FYR 2022 was RM20.216 million, a decrease by 25.4% from RM27.107 million in Q2-FYR 2021.

Garment PBT for Q2-FYR 2022 dropped by 90.6% from RM24.796 to RM2.339 million mainly due to lower revenue as explained above.

Packaging PBT for Q2-FYR 2022 decreased by 48.1% in spite of higher revenue mainly due to higher raw materials costs of both paper and plastic packaging.

Financial Period vs Last Year to date (Last YTD)

Revenue of the Group for the financial period decreased by 25.5% to RM417.824 million as compared to RM561.091 in the preceding year corresponding financial period mainly due to negative impacts of Covid-19 pandemic on both our Malaysia and Vietnam operations. The total lockdown in Malaysia was from 1 June 2021 to 4 July 2021 while the major lockdown in Vietnam was from 19 July 2021 to 30 September 2021.

Segment wise, garment revenue for the financial period decreased by 28.2% from RM512.764 million to RM368.079 million mainly due to lower revenue resulting from the suspension of Vietnam operations as explained above. However, packaging revenue increased by 2.9% to RM27.197 million mainly due to higher sale orders received.

PBT of the Group for the financial period before gain on disposal of property dropped by 49.9% to RM31.191 million as compared to RM62.302 million in last YTD.

After accounting for the gain on disposal of properties of RM16.889 million, PBT of the Group for the financial period decreased was RM48.080 million, a decrease by 22.8% from RM62.302 million in last YTD.

Garment PBT for the financial period decreased by 101.6% to RM29.548 million as compared to RM58.127 million in last YTD mainly due to lower revenue, and the impact of Covid-19 lockdown / movement restrictions.

Packaging PBT decreased by 56.3% mainly due to higher raw material costs of both paper and plastic packaging, and the impact of Covid-19 lockdown / movement restrictions.

## 12) Variation of Results of Q2-FYR 2022 vs Preceding Quarter (Q1-FYR 2022)

	Q2-FYR 2022	Q1-FYR 2022	
	RM'000	RM'000	%
Revenue	112,258	305,566	-63.3%
Profit from operations	401	26,135	-98.5%
PBT (before gain on disposal of property)	3,327	27,864	-88.1%
PBT (after gain on disposal of property)	20,216	27,864	-27.4%
PAT	17,079	21,046	-18.8%

Revenue for Q2-FYR 2022 decreased by 63.3% from RM305.566 million to RM112.258 million over Q1-FYR 2021 mainly due to total lockdown in our Vietnam operations as explained above.

**Notes to the Financial Report For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**

Garment revenue for Q2-FYR 2022 decreased by 69.9% to RM85.061 million from RM283.018 million in Q1-FYR 2022 mainly due to the suspension of Vietnam operations as explained above. However, packaging revenue for Q2-FYR 2021 increased by 20.6% RM27.197 million mainly due to higher sale orders received.

PBT before gain on disposal of property for Q2-FYR 2022 dropped by 88.1% to RM3.327 million as compared to RM27.864 million in Q1-FYR 2022.

After accounting for gain on disposal of the vacant industrial property amounting to RM16.889 million, PBT of the Group for Q2-FYR 2022 was RM20.216 million, a decrease by 27.4% from RM27.864 million in Q1-FYR 2022.

Garment PBT for Q2-FYR 2022 dropped by 90.6% from RM24.796 to RM2.339 million mainly due to lower revenue as explained above.

Packaging PBT for Q2-FYR 2022 increased by 84.2% mainly due to higher revenue, better gross margin and higher other income.

**13) Future prospects**

After undergoing the detrimental impact of the major lockdown in Vietnam operations from 19 July to 30 September 2021, the garment operations there have resumed production in early October 2021. With the successful vaccination drive for our Vietnam workforce to 90% with double doses Covid 19 vaccines, we are currently operating at 88% of our production capacity. We are striving to ramp up further diligently while managing the fluid and volatile covid-19 situation carefully at all our manufacturing facilities.

In view of the suspension of Vietnam operations during the said 2.5 months and its after effects, and the unpredictable threat of Covid-19 pandemic, the financial performance of the Group for the remaining quarters of FYR 2022 are expected to be more challenging than that of the equivalent quarters of FYR 2021.

**14) Tax expense**

The tax expenses for Q2-FYR 2022 or financial period are made up as follows :

	Q2-FYR 2022	Financial period
	RM'000	RM'000
(a) Provision for current tax	289	7,179
Deferred tax	(546)	(618)
	<u>(257)</u>	<u>6,561</u>
(b) Tax arising from disposal of property		
Real property gain tax	2,069	2,069
Balancing Charge (Reversal of capital allowance previously claimed on property disposed of)	1,325	1,325
	<u>3,394</u>	<u>3,394</u>
Total tax expense	<u>3,137</u>	<u>9,955</u>

The Group's effective tax rates for both (i) Q2-FYR 2022 and (ii) financial period were lower than the Malaysian statutory tax rate of 24% mainly due to (i) overprovision of tax in the immediate preceding quarter and certain tax exempt income earned, and (ii) certain tax exempt income earned during the period respectively.

**15) Profit forecast or profit guarantee**

There was no profit forecast made in any public document and no profit guarantee was received during the financial period.

**16) Corporate proposals**

There were no corporate proposals announced but not completed as at the date of this announcement.

**17) Group borrowings and debts securities**

The Group has no borrowings and debt securities as at the financial period.

**18) Material litigation**

There were no material litigations during the financial period.



**Notes to the Financial Report For the Second Quarter Ended 31 October 2021 ("Q2-FYR 2022")**

## 19) Contingent liabilities

There were no material changes in contingent liabilities since the end of the last annual reporting date as at 30 April 2021

## 20) Capital commitments

There were capital expenditure of RM0.332 million mainly in respect of the acquisition of machine and equipments (last annual reporting date : RM3.343 million).

## 21) Earnings per share (EPS)

The basic EPS has been calculated by dividing the Group's profit attributable to owners of the Company by the weighted average no. of ordinary shares in issue with voting rights :

		Financial periods			
		Q2-FYR 2022	Q1-FYR 2022	to 31-10-2021	to 31-10-2020
Profit attributable to owners of the Company	(RM'000)	17,079	20,835	38,125	47,591
Weighted average of no. of issued shares with voting rights at end		433,451	433,751	433,451	433,751
Basic EPS	(Sen)	3.94	4.80	8.80	10.97

There is no diluted EPS as the Company does not have any convertible financial instruments as at the end of the financial period.

## 22) Dividend Declared

	Dividend Per Share		Payout Ratio		Dividend Amount	
	FYR 2022	FYR 2021	FYR 2022	FYR 2021	FYR 2022 RM'000	FYR 2021 RM'000
Q1 - Single tier interim dividend	-	2.0 Sen	-	32.4%	-	8,669
Q2 - Single tier interim dividend	2.0 Sen	1.8 Sen	50.8%	37.4%	8,669	7,802
Total YTD Dividends	2.0 Sen	3.8 Sen	22.7%	34.6%	8,669	16,471

The entitlement and payment dates have been fixed on 10 January 2022 and 25 January 2022 respectively.

## 23) Profit before tax

PBT is arrived at after charging/(crediting) the following items :-	Financial period			
	Q2-FYR 2022 RM'000	Q2-FYR 2021 RM'000	to 31-10-2021 RM'000	to 31-10-2020 RM'000
Interest income	(1,081)	(372)	(1,690)	(717)
Dividend income	(1,926)	(989)	(2,922)	(2,201)
Fair value loss/(gain) on investment securities	-	22	3	63
(Gain)/loss on disposal of investment securities	-	-	(265)	(1)
Depreciation and amortisation	1,454	1,583	2,848	3,161
Net unrealised (gain)/loss on foreign exchange	275	(539)	1,023	(407)
Net realised (gain)/loss on foreign exchange	(586)	2,599	(2,139)	2,232
Net (gain)/loss on foreign exchange - all segments	(311)	2,060	(1,116)	1,825
Gain on disposal of properties, plant and equipment	(16,947)	(389)	(16,947)	(389)
Bad debts written off	-	-	-	-
Reversal of impairment loss on trade receivables	-	-	-	-
Property, plant and equipment written off	1	-	2	9
(Gain)/loss on derivatives/exceptional items	-	-	-	-

By Order of the Board

**Tan Sri Dato' Seri Tan Kok Ping**

Chairman

Date : 27 December 2021