



KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	UNAUDITED AS AT 30/06/2019 RM '000	AUDITED AS AT 31/12/2018 RM '000
ASSETS		
Non-Current Assets		
Property, plant & equipment	1,345,309	1,267,931
Investment properties	5,223	5,223
Investment in joint venture	1,358	1,358
Other investments	398	398
Goodwill on consolidation	4,926	4,926
Intangible assets	1,639	1,639
Rights-of-use assets	9,249	0
Deferred tax assets	341	341
	1,368,443	1,281,816
Current Assets		
Inventories	266,159	249,007
Trade receivables	379,464	403,209
Derivative financial liabilities	1,025	723
Other receivables	36,390	50,887
Cash and bank balances	153,128	146,315
	836,166	850,141
TOTAL ASSETS	2,204,609	2,131,957
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	323,885	323,885
Reserves	1,030,790	990,979
	1,354,675	1,314,864
Non-controlling interests	29,085	27,510
Total Equity	1,383,760	1,342,374
Non-Current Liabilities		
Loans and borrowings	202,642	228,400
Deferred tax liabilities	94,498	89,798
Lease liabilities	6,483	0
Finance lease liabilities	253	873
	303,876	319,071
Current Liabilities		
Trade and other payables	149,646	206,598
Derivative financial liabilities	0	0
Lease liabilities	3,192	0
Finance lease liabilities	1,159	978
Bank borrowings	301,156	196,296
Term loans	78,109	82,133
Taxation	-16,289	-15,493
	516,973	470,512
Total liabilities	820,849	789,583
TOTAL EQUITY AND LIABILITIES	2,204,609	2,131,957
Net assets per share (sen)	1.06	1.02

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2018



KOSSAN RUBBER INDUSTRIES BHD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of Company				Total RM '000	Non-Controlling Interests RM '000	Total RM '000
	Share Capital	Translation Reserve	Capital Reserve	Retained earnings			
	RM '000	RM '000	RM '000	RM '000			
Unaudited - for the period ended 30 June 2019							
At 01 January 2019	323,885	4,950	(240)	986,269	1,314,864	27,510	1,342,374
Dividends To owners of the Company	0	0	0	(76,736)	(76,736)	0	(76,736)
Foreign currency translation difference from foreign operations	0	1,940	0	0	1,940	0	1,940
Total comprehensive income for the period (cumulative)	0	0	0	114,607	114,607	1,575	116,182
At 30 June 2019	323,885	6,890	(240)	1,024,140	1,354,675	29,085	1,383,760
Unaudited - for the period ended 30 June 2018							
At 01 January 2018	323,885	6,513	(240)	824,864	1,155,022	23,249	1,178,271
Dividends To non-controlling interests	0	0	0	0	0	(300)	(300)
Foreign currency translation difference from foreign operations	0	(608)	0	0	(608)	0	(608)
Total comprehensive income for the period (cumulative)	0	0	0	87,958	87,958	2,035	89,993
At 30 June 2018	323,885	5,905	(240)	912,822	1,242,372	24,984	1,267,356

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2018



KOSSAN RUBBER INDUSTRIES BHD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		UNAUDITED	AUDITED
	Current year Quarter 30/06/2019	Preceding Year Corresponding Quarter 30/06/2018	Current Year to Date 30/06/2019	Preceding Year to Date 30/06/2018
	RM '000	RM '000	RM '000	RM '000
Revenue	550,533	496,787	1,112,001	980,965
Operating expenses	(476,577)	(438,937)	(959,273)	(867,039)
Other operating income	1,270	1,119	2,221	2,003
Profit from operations	75,226	58,969	154,949	115,929
Finance cost	(5,246)	(4,065)	(9,889)	(7,991)
Profit before taxation	69,980	54,904	145,060	107,938
Taxation	(13,271)	(10,201)	(28,878)	(17,945)
Profit after taxation	56,709	44,703	116,182	89,993
Other comprehensive income, net of tax				
- Exchange difference translation	0	0	0	0
Total comprehensive income for the period	56,709	44,703	116,182	89,993
Attributable to:				
Equity shareholders of the Company	55,883	43,443	114,607	87,958
Non-controlling interests	826	1,260	1,575	2,035
	56,709	44,703	116,182	89,993
Total comprehensive income for the period attributable to:				
Equity shareholders of the Company	55,883	43,443	114,607	87,958
Non-controlling interests	826	1,260	1,575	2,035
	56,709	44,703	116,182	89,993
Earnings per share attributed to equity holders of the Company				
Basic (sen)	4.37	3.40	8.96	6.88

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2018



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NOTES TO UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Current Quarter period ended 30/06/2019 RM '000	Current Financial year ended 30/06/2019 RM '000
Other operating income		
Interest income	451	764
Rental income	12	24
Other income	807	1,433
Gain/(loss) in disposal of assets	-	-
Bad debts recovered	-	-
	1,270	2,221
Interest expenses	5,246	9,889
Depreciation	22,165	45,376
Provision for/write off of receivables	-	-
Provision for/write off of inventories	-	-
Gain/(loss) on disposal of unquoted investment	-	-
Gain/(loss) on disposal of properties	-	-
Impairment of assets	-	-
Foreign exchange gain/(loss) - realised	4,782	5,730
Foreign exchange gain/(loss) - unrealised	158	808
Gain/ (loss) on derivatives - unrealised	1,025	1,025
Exceptional items	-	-



KOSSAN RUBBER INDUSTRIES BHD

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Year to date ended 30/06/2019	Year to date ended 30/06/2018
	RM '000	RM '000
Net profit before taxation	145,060	107,938
Adjustment for non-cash items		
Depreciation	45,376	35,881
Interest income	(764)	(602)
Interest expenses	9,889	7,991
Foreign exchange gain/(loss) - unrealised	(808)	6,930
Gain/(loss) on derivatives - unrealised	(1,025)	(7,619)
Operating profit before changes in working capital	<u>197,728</u>	<u>150,519</u>
Changes in Working Capital		
Net change in current assets	23,962	(36,181)
Net change in current liabilities	(55,927)	7,856
Cash from operating activities	<u>165,763</u>	<u>122,194</u>
Dividends paid	(76,736)	(32,275)
Interest expenses	(9,889)	(7,991)
Interest income	764	602
Taxation paid	(24,974)	(13,306)
Net cash from operating activities	<u>54,928</u>	<u>69,224</u>
Investing activities		
Acquisition of property, plant and equipment	(122,754)	(175,239)
	<u>(67,826)</u>	<u>(106,015)</u>
Financing activities		
Additional/(Repayment) of finance lease liabilities	(439)	(1,554)
Additional/(Repayment) of bank borrowings	75,078	126,290
Net change in cash & cash equivalent	<u>6,813</u>	<u>18,721</u>
Cash & cash equivalent at beginning of year	146,315	210,274
Cash & cash equivalent at end of the period	<u>153,128</u>	<u>228,995</u>
Cash & cash equivalent at end of the period		
Cash & bank balances	111,647	35,639
Short term deposits with licensed banks	41,481	193,464
	<u>153,128</u>	<u>229,103</u>
Less Deposits pledged to banks	0	(108)
	<u>153,128</u>	<u>228,995</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2018