



**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	UNAUDITED AS AT 30/09/2019 RM '000	AUDITED AS AT 31/12/2018 RM '000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	1,366,672	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
	<u>1,389,806</u>	<u>1,281,816</u>
<b>Current Assets</b>		
Inventories	287,889	249,007
Trade receivables	386,367	403,209
Derivative financial liabilities	0	723
Other investment	0	0
Other receivables	36,953	50,887
Cash and bank balances	165,842	146,315
	<u>877,051</u>	<u>850,141</u>
<b>TOTAL ASSETS</b>	<u>2,266,857</u>	<u>2,131,957</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	323,885	323,885
Reserves	1,078,216	990,979
	<u>1,402,101</u>	<u>1,314,864</u>
Non-controlling interests	26,575	27,510
<b>Total Equity</b>	<u>1,428,676</u>	<u>1,342,374</u>
<b>Non-Current Liabilities</b>		
Loans and borrowings	183,717	228,400
Deferred tax liabilities	96,573	89,798
Lease liabilities	6,483	0
Finance lease liabilities	208	873
	<u>286,981</u>	<u>319,071</u>
<b>Current Liabilities</b>		
Trade and other payables	172,257	206,598
Derivative financial liabilities	173	0
Lease liabilities	3,192	0
Finance lease liabilities	1,387	978
Bank borrowings	315,736	196,296
Term loans	75,700	82,133
Taxation	-17,245	-15,493
	<u>551,200</u>	<u>470,512</u>
<b>Total liabilities</b>	<u>838,181</u>	<u>789,583</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,266,857</u>	<u>2,131,957</u>
<b>Net assets per share (sen)</b>	1.09	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**  
 Company No. 48166-W  
 (Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to equity holders of Company				Total	Non-Controlling Interests	Total
	Share Capital	Translation Reserve	Capital Reserve	Retained earnings			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>Unaudited - for the period ended 30 September 2019</b>							
At 01 January 2019	323,885	4,950	(240)	986,269	1,314,864	27,510	1,342,374
<b>Dividends</b>							
To owners of the Company	0	0	0	(76,736)	(76,736)	0	(76,736)
<b>Foreign currency translation difference from foreign operations</b>	0	192	0	0	192	0	192
<b>Total comprehensive income for the period (cumulative)</b>	0	0	0	163,781	163,781	2,565	166,346
Reduction in minority interest	0	0	0	0	0	(3,500)	(3,500)
<b>At 30 September 2019</b>	<b>323,885</b>	<b>5,142</b>	<b>(240)</b>	<b>1,073,314</b>	<b>1,402,101</b>	<b>26,575</b>	<b>1,428,676</b>
<b>Unaudited - for the period ended 30 September 2018</b>							
At 01 January 2018	323,885	6,513	(240)	824,864	1,155,022	23,249	1,178,271
<b>Dividends</b>							
To non-controlling interests	0	0	0	0	0	(300)	(300)
To owners of the Company	0	0	0	(38,368)	(38,368)	0	(38,368)
<b>Foreign currency translation difference from foreign operations</b>	0	(1,258)	0	0	(1,258)	0	(1,258)
<b>Total comprehensive income for the period (cumulative)</b>	0	0	0	141,269	141,269	2,997	144,266
<b>At 30 September 2018</b>	<b>323,885</b>	<b>5,255</b>	<b>(240)</b>	<b>927,765</b>	<b>1,256,665</b>	<b>25,946</b>	<b>1,282,611</b>

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**

Company No. 48166-W  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL PERIOD		UNAUDITED	AUDITED
	Current year Quarter 30/09/2019	Preceding Year Corresponding Quarter 30/09/2018	Current Year to Date 30/09/2019	Preceding Year to Date 30/09/2018
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	531,257	573,897	1,643,257	1,554,862
Operating expenses	(466,805)	(498,386)	(1,426,077)	(1,365,727)
Other operating income	1,088	956	3,309	2,959
Profit from operations	65,540	76,467	220,489	192,094
Finance cost	(2,772)	(5,641)	(12,661)	(14,166)
<b>Profit before taxation</b>	62,768	70,826	207,828	177,928
Taxation	(12,604)	(15,718)	(41,482)	(33,662)
<b>Profit after taxation</b>	50,164	55,108	166,346	144,266
<b>Other comprehensive income, net of tax</b>				
- Exchange difference translation	0	0	0	0
<b>Total comprehensive income for the period</b>	50,164	55,108	166,346	144,266
<b>Attributable to:</b>				
Equity shareholders of the Company	49,175	54,146	163,781	141,269
Non-controlling interests	989	962	2,565	2,997
	50,164	55,108	166,346	144,266
<b>Total comprehensive income for the period attributable to:</b>				
Equity shareholders of the Company	49,175	54,146	163,781	141,269
Non-controlling interests	989	962	2,565	2,997
	50,164	55,108	166,346	144,266
<b>Earnings per share attributed to equity holders of the Company</b>				
Basic/diluted (sen)	3.84	4.23	12.81	11.05

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



**KOSSAN RUBBER INDUSTRIES BHD**

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**NOTES TO UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Current Quarter period ended 30/09/2019 RM '000	Current Financial year ended 30/09/2019 RM '000
<b>Other operating income</b>		
Interest income	590	1,354
Rental income	12	36
Other income	486	1,919
Gain/(loss) in disposal of assets	-	-
Bad debts recovered	-	-
	1,088	3,309
<b>Interest expenses</b>	2,772	12,661
<b>Depreciation</b>	22,016	67,392
<b>Provision for/write off of receivables</b>	-	-
<b>Provision for/write off of inventories</b>	-	-
<b>Gain/(loss) on disposal of unquoted investment</b>	-	-
<b>Gain/(loss) on disposal of properties</b>	-	-
<b>Impairment of assets</b>	-	-
<b>Foreign exchange gain/(loss) - realised</b>	3,538	9,268
<b>Foreign exchange gain/(loss) - unrealised</b>	766	1,574
<b>Gain/ (loss) on derivatives - unrealised</b>	(1,198)	(173)
<b>Exceptional items</b>	-	-



**KOSSAN RUBBER INDUSTRIES BHD**

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Year to date ended 30/09/2019 <b>RM '000</b>	Year to date ended 30/09/2018 <b>RM '000</b>
<b>Net profit before taxation</b>	207,828	177,928
<b>Adjustment for non-cash items</b>		
Depreciation	67,392	54,401
Interest income	(1,354)	(953)
Interest expenses	12,661	14,166
Foreign exchange gain/(loss) - unrealised	(1,574)	3,215
Gain/(loss) on derivatives - unrealised	173	(669)
<b>Operating profit before changes in working capital</b>	<u>285,126</u>	<u>248,088</u>
<b>Changes in Working Capital</b>		
Net change in current assets	(5,191)	(75,296)
Net change in current liabilities	(34,341)	23,975
<b>Cash from operating activities</b>	<u>245,594</u>	<u>196,767</u>
Dividends paid	(76,736)	(70,643)
Interest expenses	(12,661)	(14,166)
Interest income	1,354	953
Taxation paid	(36,459)	(40,838)
<b>Net cash from operating activities</b>	<u>121,092</u>	<u>72,073</u>
<b>Investing activities</b>		
Acquisition of additional investments in subsidiary	(3,500)	0
Acquisition of property, plant and equipment	(166,133)	(243,368)
	<u>(48,541)</u>	<u>(171,295)</u>
<b>Financing activities</b>		
Additional/(Repayment) of finance lease liabilities	(256)	(2,304)
Additional/(Repayment) of bank borrowings	68,324	105,127
<b>Net change in cash &amp; cash equivalent</b>	<u>19,527</u>	<u>(68,472)</u>
<b>Cash &amp; cash equivalent at beginning of year</b>	146,315	210,274
<b>Cash &amp; cash equivalent at end of the period</b>	<u><u>165,842</u></u>	<u><u>141,802</u></u>
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	120,561	43,190
Short term deposits with licensed banks	45,281	98,720
	<u>165,842</u>	<u>141,910</u>
Less Deposits pledged to banks	0	(108)
	<u><u>165,842</u></u>	<u><u>141,802</u></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**