



**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	UNAUDITED AS AT 31/12/2019 RM '000	AUDITED AS AT 31/12/2018 RM '000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	1,398,025	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	10,757	0
Deferred tax assets	341	341
	<b>1,422,667</b>	<b>1,281,816</b>
<b>Current Assets</b>		
Inventories	324,536	249,007
Trade receivables	404,864	403,209
Derivative financial liabilities	2,349	723
Other investment	0	0
Other receivables	28,071	50,887
Cash and bank balances	162,914	146,315
	<b>922,734</b>	<b>850,141</b>
<b>TOTAL ASSETS</b>	<b>2,345,401</b>	<b>2,131,957</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	323,885	323,885
Reserves	1,103,173	990,979
	<b>1,427,058</b>	<b>1,314,864</b>
Non-controlling interests	27,012	27,510
<b>Total Equity</b>	<b>1,454,070</b>	<b>1,342,374</b>
<b>Non-Current Liabilities</b>		
Loans and borrowings	172,292	228,400
Deferred tax liabilities	83,852	89,798
Lease liabilities	8,216	0
Finance lease liabilities	164	873
	<b>264,524</b>	<b>319,071</b>
<b>Current Liabilities</b>		
Trade and other payables	249,084	206,598
Derivative financial liabilities	0	0
Lease liabilities	2,967	0
Finance lease liabilities	1,671	978
Bank borrowings	324,743	196,296
Term loans	68,200	82,133
Taxation	(19,858)	(15,493)
	<b>626,807</b>	<b>470,512</b>
<b>Total liabilities</b>	<b>891,331</b>	<b>789,583</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,345,401</b>	<b>2,131,957</b>
<b>Net assets per share (sen)</b>	1.11	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	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 year ended 31 December 2019</b>							
<b>At 01 January 2019</b>	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	(115,104)	(115,104)	0	(115,104)
To non-controlling interests				0	0	(137)	(137)
<b>Foreign currency translation difference from foreign operations</b>	0	2,515	0	0	2,515	0	2,515
<b>Total comprehensive income for the period (cumulative)</b>	0	0	0	224,783	224,783	3,139	227,922
<b>Reduction in minority interest</b>	0	0	0	0	0	(3,500)	(3,500)
<b>At 31 December 2019</b>	323,885	7,465	(240)	1,095,948	1,427,058	27,012	1,454,070
<b>Audited - for the year ended 31 December 2018</b>							
<b>At 01 January 2018</b>	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	(412)	(412)
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	(1,563)	0	0	(1,563)	0	(1,563)
<b>Total comprehensive income for the period (cumulative)</b>	0	0	0	199,773	199,773	4,673	204,446
<b>At 31 December 2018</b>	323,885	4,950	(240)	986,269	1,314,864	27,510	1,342,374

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	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year to Date
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	578,349	589,372	2,221,607	2,140,571
Operating expenses	(504,905)	(514,097)	(1,930,983)	(1,876,213)
Other operating income	1,048	1,451	4,357	4,410
Profit from operations	74,492	76,726	294,981	268,768
Finance cost	(2,213)	(5,326)	(14,874)	(19,504)
<b>Profit before taxation</b>	72,279	71,400	280,107	249,264
Taxation	(10,702)	(10,367)	(52,185)	(44,665)
<b>Profit after taxation</b>	61,577	61,033	227,922	204,599
<b>Other comprehensive income, net of tax</b>				
- Exchange difference translation	0	0	0	(1,716)
<b>Total comprehensive income for the period/year</b>	61,577	61,033	227,922	202,883
<b>Attributable to:</b>				
Equity shareholders of the Company	61,003	59,514	224,783	199,773
Non-controlling interests	574	1,519	3,139	4,826
	61,577	61,033	227,922	204,599
<b>Total comprehensive income for the period/year attributable to:</b>				
Equity shareholders of the Company	61,003	59,514	224,783	198,210
Non-controlling interests	574	1,519	3,139	4,673
	61,577	61,033	227,922	202,883
<b>Earnings per share attributed to equity holders of the Company</b>				
Basic/diluted (sen)	4.77	4.65	17.58	15.62

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**

	<b>Current Quarter ended 31/12/2019 RM '000</b>	<b>Current Financial year ended 31/12/2019 RM '000</b>
<b>Other operating income</b>		
Interest income	656	2,010
Rental income	46	82
Other income	346	2,265
Gain/(loss) in disposal of assets	-	-
Bad debts recovered	-	-
	<b>1,048</b>	<b>4,357</b>
<b>Interest expenses</b>	2,213	14,874
<b>Depreciation</b>	23,802	91,195
<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>	3,340	12,608
<b>Foreign exchange gain/(loss) - unrealised</b>	(6,443)	(4,869)
<b>Gain/ (loss) on derivatives - unrealised</b>	2,522	2,349
<b>Exceptional items</b>	-	-



**KOSSAN RUBBER INDUSTRIES BHD**

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Year to date ended 31/12/2019 RM '000	Year to date ended 31/12/2018 RM '000
<b>Net profit before taxation</b>	280,107	249,264
<b>Adjustment for non-cash items</b>		
Depreciation	91,195	76,809
Interest income	(2,010)	(4,421)
Interest expenses	14,874	19,504
Gain/(loss) from disposal of fixed assets	0	(453)
Impairment loss on trade receivables	0	159
Foreign exchange gain/(loss) - unrealised	4,869	1,294
Gain/(loss) on derivatives - unrealised	(2,349)	(723)
Share of losses of equity-accounted joint venture, net of tax	0	4
Impairment of assets	0	8
<b>Operating profit before changes in working capital</b>	<u>386,686</u>	<u>341,445</u>
<b>Changes in Working Capital</b>		
Net change in current assets	(57,922)	(94,938)
Net change in current liabilities	44,835	3,665
<b>Cash from operating activities</b>	<u>373,599</u>	<u>250,172</u>
Dividends paid	(115,241)	(38,780)
Interest expenses	(14,874)	(20,897)
Interest income	2,010	4,421
Taxation paid	(62,496)	(54,343)
<b>Net cash from operating activities</b>	<u>182,998</u>	<u>140,573</u>
<b>Investing activities</b>		
Proceed from disposal of fixed assets	0	767
Acquisition of additional investments in subsidiary	(3,500)	(232)
Acquisition of property, plant and equipment	(221,289)	(314,861)
	<u>(41,791)</u>	<u>(173,753)</u>
<b>Financing activities</b>		
Additional/(Repayment) of finance lease liabilities	(16)	(2,286)
Additional/(Repayment) of bank borrowings	58,406	113,393
<b>Net change in cash &amp; cash equivalent</b>	<u>16,599</u>	<u>(62,646)</u>
<b>Effect of exchange rate fluctuations on cash held</b>	0	(1,313)
<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>162,914</u>	<u>146,315</u>
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	117,633	107,507
Short term deposits with licensed banks	45,281	38,808
	<u>162,914</u>	<u>146,315</u>
Less Deposits pledged to banks	0	0
	<u>162,914</u>	<u>146,315</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**