



KOSSAN RUBBER INDUSTRIES BHD

Company No. 48166-W
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	UNAUDITED AS AT 30/06/2020 RM '000	AUDITED AS AT 31/12/2019 RM '000
ASSETS		
Non-Current Assets		
Property, plant & equipment	1,205,026	1,206,888
Investment properties	5,223	101,921
Asset held for sale	96,698	0
Investment in joint venture	1,355	1,355
Other investments	398	398
Goodwill on consolidation	4,926	4,926
Rights-of-use assets	119,531	108,761
Deferred tax assets	13,399	13,399
	<u>1,446,556</u>	<u>1,437,648</u>
Current Assets		
Inventories	336,843	321,525
Trade receivables	445,405	395,816
Derivative financial assets	3,081	2,349
Other receivables	39,086	35,554
Cash and bank balances	376,513	162,250
	<u>1,200,928</u>	<u>917,494</u>
TOTAL ASSETS	<u><u>2,647,484</u></u>	<u><u>2,355,142</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	323,885	323,885
Reserves	1,258,552	1,100,405
	<u>1,582,437</u>	<u>1,424,290</u>
Non-controlling interest	28,483	26,721
Total Equity	<u>1,610,920</u>	<u>1,451,011</u>
Non-Current Liabilities		
Loans and borrowings	141,942	163,291
Deferred tax liability	96,883	93,033
Lease liabilities	9,294	9,294
	<u>248,119</u>	<u>265,618</u>
Current Liabilities		
Trade and other payable	372,945	253,178
Derivative financial liability	0	0
Lease liabilities	15,159	3,582
Bank borrowings	353,820	324,743
Term loans	60,700	77,200
Taxation	-14,179	-20,190
	<u>788,445</u>	<u>638,513</u>
Total liabilities	<u>1,036,564</u>	<u>904,131</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,647,484</u></u>	<u><u>2,355,142</u></u>
Net assets per share (sen)	123.35	110.98

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2019



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of Company				Total	Non-Controlling	Total
	Share Capital	Translation Reserve	Capital Reserve	Retained earnings		Interests	
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Unaudited - for the period ended 30 June 2020							
At 01 January 2020	323,885	5,148	(397)	1,095,654	1,424,290	26,721	1,451,011
Dividends To owners of the Company	0	0	0	(38,368)	(38,368)	0	(38,368)
Foreign currency translation difference from foreign operations	0	655	0	0	655	0	655
Total comprehensive income for the period (cumulative)	0	0	0	195,860	195,860	1,762	197,622
At 30 June 2020	323,885	5,803	(397)	1,253,146	1,582,437	28,483	1,610,920
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

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 2019.



KOSSAN RUBBER INDUSTRIES BHD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current year Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year to Date
	30/06/2020	30/06/2019	30/06/2020	30/06/2019
	RM '000	RM '000	RM '000	RM '000
Revenue	701,680	550,533	1,313,144	1,112,001
Operating expenses	(539,215)	(476,577)	(1,066,628)	(959,273)
Other operating income	1,777	1,270	3,998	2,221
Profit from operations	164,242	75,226	250,514	154,949
Finance cost	(3,406)	(5,246)	(7,144)	(9,889)
Profit before taxation	160,836	69,980	243,370	145,060
Taxation	(28,484)	(13,271)	(45,748)	(28,878)
Profit after taxation	132,352	56,709	197,622	116,182
Other comprehensive income, net of tax				
- Exchange difference translator	0	0	0	0
Total comprehensive income for the period/yea	132,352	56,709	197,622	116,182
Attributable to:				
Equity shareholders of the Company	131,057	55,883	195,860	114,607
Non-controlling interests	1,295	826	1,762	1,575
	132,352	56,709	197,622	116,182
Total comprehensive income for the period/year attributable to:				
Equity shareholders of the Company	131,057	55,883	195,860	114,607
Non-controlling interests	1,295	826	1,762	1,575
	132,352	56,709	197,622	116,182
Earnings per share attributed to equity holders of the Company				
Basic/diluted (sen)	10.25	4.37	15.31	8.96

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 2019



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NOTES TO UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Current Quarter Period ended 30/06/2020 RM '000	Current Financial Period ended 30/06/2020 RM '000
Other operating income		
Interest income	1,010	2,010
Rental income	153	274
Other income	614	1,714
Gain/(loss) in disposal of assets	-	-
Bad debts recovered	-	-
	1,777	3,998
Interest expenses	3,406	7,144
Depreciation	25,566	50,936
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	(976)	2,964
Foreign exchange gain/(loss) - unrealised	(15,854)	(1,701)
Gain/ (loss) on derivatives - unrealised	16,581	3,081
Exceptional items	-	-



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Year to date ended 30/06/2020 RM '000	Year to date ended 30/06/2019 RM '000
Net profit before taxation	243,370	145,060
Adjustment for non-cash items		
Depreciation	50,936	45,376
Interest income	(2,010)	(764)
Interest expenses	7,144	9,889
Gain/(loss) from disposal of fixed assets	0	0
Impairment loss on trade receivables	0	0
Foreign exchange gain/(loss) - unrealised	1,701	(808)
Gain/(loss) on derivatives - unrealised	(3,081)	(1,025)
Share of losses of equity-accounted joint venture, net of tax	0	0
Impairment of assets	0	0
Operating profit before changes in working capital	298,060	197,728
Changes in Working Capital		
Net change in current assets	(69,410)	23,962
Net change in current liabilities	122,848	(55,927)
Cash from operating activities	351,498	165,763
Dividends paid	(38,368)	(76,736)
Interest expenses	(7,144)	(9,889)
Interest income	2,010	764
Taxation paid	(35,887)	(24,974)
Net cash from operating activities	272,109	54,928
Investing activities		
Proceed from disposal of fixed assets	0	0
Acquisition of additional investments in subsidiary	0	0
Acquisition of property, plant and equipment	(49,074)	(122,754)
	223,035	(67,826)
Financing activities		
Additional/(Repayment) of finance lease liability	0	(439)
Additional/(Repayment) of bank borrowings	(8,772)	75,078
Net change in cash & cash equivalent	214,263	6,813
Effect of exchange rate fluctuations on cash held	0	0
Cash & cash equivalent at beginning of year	162,250	146,315
Cash & cash equivalent at end of the period	376,513	153,128
Cash & cash equivalent at end of the period		
Cash & bank balances	179,766	111,647
Short term deposits with licensed banks	196,747	41,481
	376,513	153,128
Less Deposits pledged to banks	0	0
	376,513	153,128

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 December 2019