



**KOSSAN RUBBER INDUSTRIES BHD**

Company No. 48166-W  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	UNAUDITED AS AT 30/09/2020 RM '000	AUDITED AS AT 31/12/2019 RM '000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant & equipment	1,260,044	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	119,506	108,761
Deferred tax assets	13,399	13,399
	<u>1,501,549</u>	<u>1,437,648</u>
<b>Current Assets</b>		
Inventories	326,855	321,525
Trade receivables	533,214	395,816
Derivative financial assets	3,197	2,349
Other receivables	35,186	35,554
Cash and bank balances	798,021	162,250
	<u>1,696,473</u>	<u>917,494</u>
<b>TOTAL ASSETS</b>	<u><u>3,198,022</u></u>	<u><u>2,355,142</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	323,885	323,885
Reserves	1,608,621	1,100,405
	<u>1,932,506</u>	<u>1,424,290</u>
Non-controlling interests	27,406	26,721
<b>Total Equity</b>	<u>1,959,912</u>	<u>1,451,011</u>
<b>Non-Current Liabilities</b>		
Loans and borrowings	126,767	163,291
Deferred tax liabilities	97,282	93,033
Lease liabilities	9,294	9,294
	<u>233,343</u>	<u>265,618</u>
<b>Current Liabilities</b>		
Trade and other payables	547,081	253,178
Derivative financial liabilities	0	0
Lease liabilities	14,983	3,582
Bank borrowings	324,211	324,743
Term loans	60,700	77,200
Taxation	57,792	-20,190
	<u>1,004,767</u>	<u>638,513</u>
<b>Total liabilities</b>	<u>1,238,110</u>	<u>904,131</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>3,198,022</u></u>	<u><u>2,355,142</u></u>
<b>Net assets per share (sen)</b>	150.72	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



**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 period ended 30 June 2020</b>							
<b>At 01 January 2020</b>	323,885	5,148	(397)	1,095,654	1,424,290	26,721	1,451,011
<b>Dividends To owners of the Company</b>	0	0	0	(38,488)	(38,488)	0	(38,488)
<b>Foreign currency translation difference from foreign operations</b>	0	2,102	0	0	2,102	0	2,102
<b>Total comprehensive income for the period (cumulative)</b>	0	0	0	544,602	544,602	4,185	548,787
<b>Reduction in minority interest</b>	0	0	0	0	0	(3,500)	(3,500)
<b>At 30 September 2020</b>	323,885	7,250	(397)	1,601,768	1,932,506	27,406	1,959,912
<b>Unaudited - for the period ended 30 September 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 To owners of the Company</b>	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
<b>Reduction in minority interest</b>	0	0	0	0	0	(3,500)	(3,500)
<b>At 30 September 2019</b>	323,885	5,142	(240)	1,073,314	1,402,101	26,575	1,428,676

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
	30/09/2020	30/09/2019	30/09/2020	30/09/2019
	RM '000	RM '000	RM '000	RM '000
<b>Revenue</b>	1,033,347	531,257	2,346,492	1,643,257
Operating expenses	(598,246)	(466,805)	(1,664,875)	(1,426,077)
Other operating income	3,827	1,088	7,825	3,309
Profit from operations	438,928	65,540	689,442	220,489
Finance cost	(2,535)	(2,772)	(9,679)	(12,661)
<b>Profit before taxation</b>	436,393	62,768	679,763	207,828
Taxation	(85,228)	(12,604)	(130,976)	(41,482)
<b>Profit after taxation</b>	351,165	50,164	548,787	166,346
<b>Other comprehensive income, net of tax</b>				
- Exchange difference translation	0	0	0	0
Total comprehensive income for the period/year	351,165	50,164	548,787	166,346
<b>Attributable to:</b>				
Equity shareholders of the Company	348,741	49,175	544,602	163,781
Non-controlling interests	2,424	989	4,185	2,565
	351,165	50,164	548,787	166,346
<b>Total comprehensive income for the period/year attributable to:</b>				
Equity shareholders of the Company	348,741	49,175	544,602	163,781
Non-controlling interests	2,424	989	4,185	2,565
	351,165	50,164	548,787	166,346
<b>Earnings per share attributed to equity holders of the Company</b>				
Basic/diluted (sen)	27.27	3.84	42.58	12.81

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 30/09/2020 RM '000	Current Financial Period ended 30/09/2020 RM '000
<b>Other operating income</b>		
Interest income	2,525	4,535
Rental income	142	416
Other income	1,160	2,874
Gain/(loss) in disposal of assets	-	-
Bad debts recovered	-	-
	<b>3,827</b>	<b>7,825</b>
<b>Interest expenses</b>	2,535	9,679
<b>Depreciation</b>	28,366	79,302
<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>	4,158	7,122
<b>Foreign exchange gain/(loss) - unrealised</b>	(5,326)	(7,027)
<b>Gain/ (loss) on derivatives - unrealised</b>	116	3,197
<b>Exceptional items</b>	-	-



**KOSSAN RUBBER INDUSTRIES BHD**

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Year to date ended 30/09/2020 RM '000	Year to date ended 30/09/2019 RM '000
<b>Net profit before taxation</b>	679,763	207,828
<b>Adjustment for non-cash items</b>		
Depreciation	79,302	67,392
Interest income	(4,535)	(1,354)
Interest expenses	9,679	12,661
Foreign exchange gain/(loss) - unrealised	7,027	(1,574)
Gain/(loss) on derivatives - unrealised	(3,197)	173
<b>Operating profit before changes in working capital</b>	<u>768,039</u>	<u>285,126</u>
<b>Changes in Working Capital</b>		
Net change in current assets	(144,280)	(5,191)
Net change in current liabilities	293,903	(34,341)
<b>Cash from operating activities</b>	<u>917,662</u>	<u>245,594</u>
Dividends paid	(38,488)	(76,736)
Interest expenses	(9,679)	(12,661)
Interest income	4,535	1,354
Taxation paid	(48,745)	(36,459)
<b>Net cash from operating activities</b>	<u>825,285</u>	<u>121,092</u>
<b>Investing activities</b>		
Acquisition of additional investments in subsidiary	(3,500)	(3,500)
Acquisition of property, plant and equipment	(132,458)	(166,133)
	<u>689,327</u>	<u>(48,541)</u>
<b>Financing activities</b>		
Additional/(Repayment) of finance lease liabilities	0	(256)
Additional/(Repayment) of bank borrowings	(53,556)	68,324
<b>Net change in cash &amp; cash equivalent</b>	<u>635,771</u>	<u>19,527</u>
<b>Cash &amp; cash equivalent at beginning of year</b>	162,250	146,315
<b>Cash &amp; cash equivalent at end of the period</b>	<u><u>798,021</u></u>	<u><u>165,842</u></u>
<b>Cash &amp; cash equivalent at end of the period</b>		
Cash & bank balances	402,074	120,561
Short term deposits with licensed banks	395,947	45,281
	<u>798,021</u>	<u>165,842</u>
Less Deposits pledged to banks	0	0
	<u><u>798,021</u></u>	<u><u>165,842</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 2019**