



JOHORE TIN BERHAD

JOHORE TIN BERHAD
(Company No. 532570-V)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

QUARTERLY REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2019

(UNAUDITED)

This Report is dated 29th August 2019.



JOHORE TIN BERHAD (Co. No. 532570-V)
(Incorporated in Malaysia)
AND ITS SUBSIDIARY COMPANIES

**QUARTERLY REPORT
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED)

	NOTE	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
		<u>Current Period</u> <u>Quarter</u> <u>30-06-2019</u> <u>RM'000</u>	<u>Preceding Period</u> <u>Corresponding</u> <u>Quarter</u> <u>30-06-2018</u> <u>RM'000</u>	<u>Current</u> <u>Year-</u> <u>To-Date</u> <u>30-06-2019</u> <u>RM'000</u>	<u>Preceding</u> <u>Year-</u> <u>To-Date</u> <u>30-06-2018</u> <u>RM'000</u>
REVENUE		141,559	115,577	282,590	219,535
Cost of sales		(119,538)	(96,211)	(236,692)	(186,091)
GROSS PROFIT		22,021	19,366	45,898	33,444
Net other incomes		1,658	502	2,864	1,386
Administrative expenses		(5,570)	(4,328)	(11,397)	(9,497)
Selling and distribution expenses		(6,062)	(6,634)	(12,065)	(10,350)
Net gain/(loss) on foreign exchange and financial instruments		431	(2,784)	509	(678)
Finance costs		(444)	(372)	(798)	(620)
PROFIT BEFORE TAX		12,034	5,750	25,011	13,685
Income tax expense	B6	(1,871)	(2,158)	(3,113)	(2,299)
PROFIT FOR THE PERIOD		10,163	3,592	21,898	11,386
Non-controlling interest		(406)	(130)	(1,031)	(307)
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY		9,757	3,462	20,867	11,079
OTHER COMPREHENSIVE INCOME					
Foreign currency translation		-	1	-	(17)
Total other comprehensive income for the period		-	1	-	(17)
COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	B7	9,757	3,463	20,867	11,062
Profit after tax attributable to:					
Owners of the Company		9,757	3,462	20,867	11,079
Non-controlling interest		406	130	1,031	307
		10,163	3,592	21,898	11,386
Total comprehensive income attributable to:					
Owners of the Company		9,757	3,463	20,867	11,062
Non-controlling interest		406	130	1,031	307
		10,163	3,593	21,898	11,369
Earnings per share (sen):					
- Basic	B9	3.14	1.12	6.72	3.57

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes to the quarterly report.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019 (UNAUDITED)**

		As at 30 June 2019 (Unaudited) RM'000	As at 31 December 2018 (Audited) RM'000
	NOTE		
<u>ASSETS</u>			
<i>Non-Current Assets</i>			
Property, plant and equipment		129,323	125,139
Investment in an associate		21,419	8,275
Goodwill on consolidation		10,650	10,650
Other investment		17	17
		161,409	144,081
<i>Current Assets</i>			
Inventories		120,168	118,743
Trade receivables		137,949	99,135
Other receivables		1,051	4,071
Amount owing by an associate		-	23
Amount owing by related companies		6,372	4,225
Derivative financial assets	B12	6	-
Tax recoverable		3,400	3,474
Cash and cash equivalents		52,348	70,090
		321,294	299,761
TOTAL ASSETS		482,703	443,842
<u>EQUITY AND LIABILITIES</u>			
<i>Share Capital and Reserves</i>			
Share capital		176,816	176,816
Cumulative retained earnings		147,540	137,539
Equity Attributable to Owners of the Company		324,356	314,355
Non-controlling interest		4,754	640
TOTAL EQUITY		329,110	314,995

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes to the quarterly report.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019 (UNAUDITED) (cont'd)

	NOTE	As at 30 June 2019 (Unaudited) RM'000	As at 31 December 2018 (Audited) RM'000
<i>EQUITY AND LIABILITIES (cont'd)</i>			
<i>Non-Current Liabilities</i>			
Long-term borrowings	B10	1,652	1,987
Retirement benefits		332	383
Deferred tax		7,441	7,347
<i>Total Non-Current Liabilities</i>		9,425	9,717
<i>Current Liabilities</i>			
Trade payables		88,048	64,434
Other payables		11,616	18,160
Amount owing to directors		24	180
Short-term borrowings	B10	40,251	30,424
Retirement benefits		-	300
Derivative financial assets	B12	-	901
Income tax		4,229	4,731
<i>Total Current Liabilities</i>		144,168	119,130
<i>TOTAL LIABILITIES</i>		153,593	128,847
<i>TOTAL EQUITY AND LIABILITIES</i>		482,703	443,842
		RM	RM
<i>Net Assets (NA) per share attributable to ordinary equity holders of the Company</i>		1.04	1.01

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes to the quarterly report.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED)**

	<u>Share Capital</u> RM'000	<u>Non- Distributable Reserves</u> Foreign Translation Reserve RM'000	<u>Distributable</u> Retained Earnings RM'000	Attributable to Owners of the Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance at 1 January 2019	176,816	-	137,539	314,355	640	314,995
Total comprehensive income for the period	-	-	20,867	20,867	1,031	21,898
Acquisition of subsidiary by NCI	-	-	-	-	3,083	3,083
Dividend paid	-	-	(10,866)	(10,866)	-	(10,866)
Balance at 30 June 2019	176,816	-	147,540	324,356	4,754	329,110
Balance at 1 January 2018	176,816	(491)	113,734	290,059	54	290,113
Total comprehensive income for the period	-	(17)	11,079	11,062	307	11,369
Acquisition of subsidiary by NCI	-	-	-	-	245	245
Dividend paid	-	-	(6,210)	(6,210)	-	(6,210)
Balance at 30 June 2018	176,816	(508)	118,603	294,911	606	295,517

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes to the quarterly report.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED)**

	NOTE	Current Period-To-Date 30-06-2019 RM'000	Preceding Period-To-Date 30-06-2018 RM'000
Net cash from operating activities	B14	1,740	23,712
Net cash used in investing activities	B14	(18,208)	(8,301)
Net cash used in financing activities	B14	(1,366)	(10,472)
Net decrease in cash and cash equivalents		(17,834)	4,939
Adjustment for foreign exchange differentials		102	(2)
Cash and cash equivalents as of beginning of period		70,080	85,450
Cash and cash equivalents as of end of period		52,348	90,387

Cash and cash equivalents at the end of the financial reporting period comprise the following:

	Current Period-To-Date 30-06-2019 RM'000	Preceding Period-To-Date 30-06-2018 RM'000
Cash and bank balances	52,357	90,396
Bank overdraft	-	-
Earmarked bank balance	(9)	(9)
	52,348	90,387

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes to the quarterly report.

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED)**

**PART A
EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134:
INTERIM FINANCIAL REPORTING (“MFRS 134”)**

A1. Basis of Preparation

The unaudited condensed interim financial statements for the second quarter ended 30 June 2019 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* and with IAS 34 *Interim Financial Reporting*, and the applicable disclosure provisions on paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”), and should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2018.

These condensed consolidated interim financial statements are prepared under the historical cost convention and modified to include other bases of valuation as disclosed under significant accounting policies, and in compliance with MFRSs, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group for these unaudited condensed interim financial statements are consistent with those in the audited financial statements for the financial year ended 31 December 2018.

a) The Group has adopted the following applicable new/revised accounting standards (“MFRSs”) and Issues Committee Interpretations (including consequential amendments) (“IC Int.”):

- MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)
- MFRS 15 *Revenue from Contracts with Customers & Amendments to MFRS 15*
- IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 2 *Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4 *Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 15 *Effective Date of MFRS 15*
- Amendments to MFRS 15 *Clarification to MFRS 15 Revenue from Contracts with Customers*
- Amendments to MFRS 140 *Transfer of Investment Property*
- Annual Improvements to MFRSs 2014 – 2016 Cycles:
 - Amendments to MFRS 1 *Deletion of Short-term Exemptions for First-time Adopters*
 - Amendments to MFRS 128 *Measuring an Associate or Joint Venture at Fair Value*

The adoption of the above MFRSs and IC Int. did not have any material impact on the Group’s financial statements.

b) The Group has not applied in advance the following applicable new/revised MFRS and IC Int that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial period:

MFRS and IC Interpretations	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 3 <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101 and MFRS 108 <i>Definition of Material</i>	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The above MFRSs and IC Int. is expected to have no material impact on the Group’s financial statements upon their initial application.

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)**

A3. Audit Qualification

There was no qualification on the annual audited financial statements of the Group for the year ended 31 December 2018.

A4. Seasonal or Cyclical Factors

The Group's operations are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial reporting period under review.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debts and equity securities for the current financial reporting period.

A7. Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial reporting period that have a material effect in the current interim period.

A8. Dividend Paid

The first interim dividends of 1.5 sen in respect of the financial year ending 31 December 2019, amounting to RM6,209,420, had been paid on 3 July 2019 to the depositors registered in the Record of Depositors at the close of business on 21 June 2019.

A9. Subsequent Material Events

There were no material events subsequent to the end of the current financial reporting period that have not been reflected in the financial statements for the current interim period.

A10. Contingent Liabilities

	THE COMPANY	
	30-06-2019	31-12-2018
	RM'000	RM'000
Corporate guarantee given to licensed banks for banking facilities	55,360	19,106
Deed guarantee given to a customer for products sold	-	29
Deed guarantee given to suppliers for products purchased	2	5,917

A11. Changes in the Composition

There are no changes in the composition of the Group for the current financial reporting period under review.

A12. Operating Segments

a) Business Segments

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products, and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments:

- 1) Investment Holding - *Investment holding and provision of management services.*
- 2) Tin Manufacturing - *Manufacturing of various tins, cans and other containers.*
- 3) Food and Beverage - *Manufacturing and selling of milk and related dairy products.*

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)**

A12. Operating Segments (Cont'd)

a) Business Segments (Cont'd)

THE GROUP	Investment Holding	Tin Manufacturing	Food & Beverage	Group
	RM'000	RM'000	RM'000	RM'000
<u>30 June 2019</u>				
External revenue	-	65,551	217,039	282,590
Inter-segment revenue	-	8,684	21,543	30,227
Dividend and management fees	10,958	-	-	10,958
Total revenues	10,958	74,235	238,582	323,775
Segments (loss)/profit before tax	(753)	4,539	21,225	25,011
Segment assets	11,326	132,442	338,935	482,703
<u>30 June 2018</u>	RM'000	RM'000	RM'000	RM'000
External revenue	-	54,984	164,551	219,535
Inter-segment revenue	-	10,430	18,273	28,703
Dividend and management fees	7,349	-	-	7,349
Total revenues	7,349	65,414	182,824	255,587
Segments (loss)/profit before tax	(960)	7,285	7,360	13,685
Segment assets	34,313	129,265	230,722	394,300

A13. Related Party Transactions

The amount owing to directors are unsecured, interest free advances and repayable on demand. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operation decisions. The related parties and their relationship with the Company are as follows:

	THE GROUP	
	30-06-2019	30-06-2018
	RM	RM
<i>Directors of the Companies</i>		
- Rental of factory	390,600	320,400
- Rental of hostel	3,000	6,000
<i>Related Companies</i>	RM	RM
- Sales of goods	4,168,497	2,914,483
- Purchases of goods	227,508	90,647

A related party of a Director had entered into a tenancy agreement with the Group's subsidiary, agreed upon renewal in every two (2) years at a renewed monthly factory rental of RM51,600, and shall expire on 31 December 2019.

The directors of the Group and the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are not less favourable than those arranged with independent third parties.

[End of Part A]

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)**

**PART B
EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF THE
BURSA SECURITIES**

B1. Review of Group Performance

a) Current Year Quarter compared with Preceding Year Corresponding Quarter

The Group recorded a revenue of RM141.56 million and profit before tax of RM12.03 million for the second quarter as compared to preceding year corresponding quarter of RM115.58 million and profit before tax of RM5.75 million respectively. The revenue increased by RM25.98 million and the profit before tax increased by RM6.28 million respectively as compared to the second quarter of the preceding year.

For the tin manufacturing segment, revenue increased by RM6.83 million from RM25.33 million to RM32.16 million mainly due to higher sales in the printing of tinplates services. Profit before tax decreased by RM1.06 million from RM4.10 million in the preceding year corresponding quarter to RM3.04 million. This is mainly due to higher material costs and relocation costs incurred by Kluang Tin & Can Factory Sdn Bhd (“KTCF”) which is completed in the current quarter.

For the F&B segment, revenue increased by RM19.15 million from RM90.25 million to RM109.40 million mainly due to higher sales from dairy products. The profit before tax increased by RM6.94 million from RM2.16 million to RM9.10 million for the current quarter, mainly due to higher sales and higher production efficiency in the current quarter as compared to the preceding year corresponding quarter.

b) Current Year-To-Date compared with Preceding Year-To-Date

The Group has recorded a revenue of RM282.59 million and profit before tax of RM25.01 million for the 6 months’ ended 30 June 2019 as compared to preceding year-to-date of RM219.54 million and RM13.68 million respectively. The Group’s revenue increased by RM63.05 million and the profit before tax increased by RM11.33 million respectively as compared to preceding year-to-date.

For the tin manufacturing segment, revenue increased by RM10.57 million from RM54.98 million to RM65.55 million mainly due to higher sales in the printing of tinplates services. Profit before tax decreased by RM2.75 million from RM7.29 million to RM4.54 million. This is mainly due to higher material costs and relocation costs incurred by KTCF which is completed in the second quarter of this year.

For the F&B segment, revenue increased by RM52.49 million from RM164.55 million to RM217.04 million mainly due to higher sales from dairy products. The profit before tax increased by RM13.86 million from RM7.36 million to RM21.22 million, mainly due to higher sales and higher production efficiency in the current year under review as compared to the preceding year-to-date.

B2. Variation of Results against Preceding Quarter

For the current quarter under review, the Group’s profits before tax decreased by RM0.95 million to RM12.03 million as compared to profit before tax of RM12.98 million in the preceding quarter ended 31 March 2019.

a) Tin Manufacturing Industry

Profit before tax increased by RM1.54 million from RM1.50 million to RM3.04 million mainly due to higher sales in the printing of tinplates services.

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)**

B2. Variation of Results against Preceding Quarter (Cont'd)

b) F&B Industry

Profit before tax decreased by RM2.38 million from RM11.80 million in the previous quarter as compared to the current quarter's profit before tax of RM9.42 million, mainly due to higher production cost from water supply disruption in the current quarter under review.

B3. Prospects of the Group

a) Tin Manufacturing Industry

Tin manufacturing industry will remain challenging due to an increasingly competitive market. Raw material prices are currently less volatile and this will help to maintain the stability in the market in the near future.

b) F&B Industry

Demand is expected to remain strong although we foresee a very competitive market. This segment will continue to be profitable despite volatility in raw materials prices and uncertainties in global economies.

B4. Revenue or Profit Estimates

This is not applicable to the Group for the current financial reporting period under review.

B5. Profit Forecast or Profit Guarantee

The profit forecast is not applicable to the Group for the current financial reporting period.

B6. Tax Expense

	Individual Quarter		Cumulative Quarter	
	30-06-2019	30-06-2018	30-06-2019	30-06-2018
Current period:	RM'000	RM'000	RM'000	RM'000
- Income tax	1,795	1,654	3,019	2,439
- Deferred tax	76	504	94	(140)
	<u>1,871</u>	<u>2,158</u>	<u>3,113</u>	<u>2,299</u>

B7. Notes to the Statement of Profit or Loss and Other Comprehensive Income

Included in the Statement of Profit or Loss and Other Comprehensive Income are as follows:

	Individual Quarter		Cumulative Quarter	
	30-06-2019	30-06-2018	30-06-2019	30-06-2018
	RM'000	RM'000	RM'000	RM'000
Interest income	185	142	471	270
Other income	709	360	1,623	1,107
Interest expense	(444)	(372)	(798)	(620)
Depreciation and amortisation	(2,404)	(2,560)	(4,733)	(5,064)
Gain on disposal of property, plant and equipment	764	-	770	9
Realised foreign exchange gain/(loss)	331	1,107	(509)	2,975
Unrealised foreign exchange gain/(loss)	55	-	110	(244)
Gain/(Loss) on derivatives financial instruments	(13)	(3,917)	850	(3,436)
Exceptional items	-	-	-	-

B8. Status of Corporate Proposals and Utilisation of Proceeds Raised from Rights Issue

There are no corporate proposals and utilisation of proceeds raised from rights issue announced for the current financial reporting period.

NOTES TO THE FINANCIAL INFORMATION

FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)

B9. Earnings Per Share

The basic earnings per share is calculated based on the net profit divided by the weighted average number of ordinary shares in issues during the financial reporting period which is as follows:

	Individual Quarter		Cumulative Quarter	
	30-06-2019	30-06-2018	30-06-2019	30-06-2018
Profit for the period (RM'000)	9,757	3,462	20,867	11,079
Weighted average number of ordinary shares ('000 shares)	310,473	310,473	310,473	310,473
Basic Earnings per Share (Sen)	3.14	1.12	6.72	3.57

The diluted earnings per share is not applicable to the Group as there are no dilutive potential ordinary shares during the financial reporting period under review.

B10. Loan and Borrowings

The Group's bank loan and borrowings as at the end of the financial reporting period are as follows:

	THE GROUP	
	30-06-2019 RM'000	31-12-2018 RM'000
Current portion (secured):		
Term loans	618	605
Short-term banking facilities	24,994	19,947
Revolving credit	14,600	9,800
Hire purchase payables (see Note B11 below)	39	72
	40,251	30,424
Non-current portion (secured):		
Term loans	1,542	1,851
Hire purchase payables (see Note B11 below)	110	136
	1,652	1,987
Total Loan and Borrowings	41,903	32,411

Except for the term loans and hire purchase facilities, the Group's other banking facilities (all pertaining to certain subsidiary companies) are secured by way of corporate guarantee issued by the Company.

B11. Hire Purchase Payables

The Group's hire purchase payables as at the end of the financial reporting period are as follows:

	THE GROUP	
	30-06-2019 RM'000	31-12-2018 RM'000
Minimum hire purchase payments	162	226
Less: Future finance charges	(13)	(18)
Present value of hire purchase payables	149	208
Less: Current portion (see Note B10 above)	(39)	(72)
Non-current portion (see Note B10 above)	110	136

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)**

B12. Derivative Financial Instruments

As at 30 June 2019, the Group has entered into the short-term foreign currency forward contract, to hedge its purchases denominated in foreign currency so as to limit the exposure to fluctuations in foreign exchange rates. The details of the foreign currency forward contracts are as follows:

Type of Derivatives	THE GROUP	
	30-06-2019	31-12-2018
<i>Forward Contracts (US Dollar)</i>	RM'000	RM'000
Contract/Notional Value	413	28,538
Less: Fair Value	(419)	(27,637)
(Gain)/Loss on Fair Value Changes	(6)	901

All contracts entered by the Group are executed with creditworthy financial institutions in Malaysia. As a result, the credit risk or the risk of counterparties defaulting is minimal. The Group also has a low liquidity risk as it maintains sufficient fund to settle the entire derivative financial instruments when they fall due.

However, the Group is subject to market risk in term of foreign currency, on sales and purchases that are denominated in foreign currency other than Ringgit Malaysia. The Group maintains a natural hedge, whenever is possible, by matching the receivables and the payables in the same currency, any unmatched balances will be hedged by the forward foreign currency contracts.

B14. Notes to the Condensed Consolidated Statement of Cash Flows

The details of major components in the Statement of Cash Flows comprises as follows:

	THE GROUP	
	30-06-2019	30-06-2018
	RM'000	RM'000
a) Cash Flows from Operating Activities		
(Increase)/Decrease in inventories	(1,425)	19,260
Increase in trade and other receivables	(38,168)	(12,866)
Decrease in trade and other payables	(16,932)	(1,578)
Income tax paid	(4,118)	(4,064)
Income tax refund	601	59
b) Cash Flows from Investing Activities		
Proceeds from disposal of property, plant and equipment	821	9
Purchase of property, plant and equipment	(8,969)	(4,868)
c) Cash Flows from Financing Activities		
Dividend paid	(10,866)	(7,762)
Net drawdown/(repayment) of short-term borrowings	5,055	(3,032)
Repayment of term loan	(296)	(998)
Net (repayment)/drawdown of hire purchase payables	(59)	164
Net drawdown of revolving credit	4,800	1,276

**NOTES TO THE FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019 (UNAUDITED) (cont'd)**

B15. Proposed Dividend

During the current quarter under review, the Board of Directors is pleased to declare a second interim dividend of 1.5 sen per ordinary share in respect of the financial year ending 31 December 2019. The date of payment and book closure of the said interim dividend will be determined at a later date.

B16. Material Litigations

There were no pending material litigations since the date of last audited annual statement of financial position.

B17. Authorisation for Issue

The second quarter unaudited financial statements were authorised for issue by the Board of Directors in accordance to the Board of Directors meeting held on 29 August 2019.

[End of Report]