

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2019 - UNAUDITED**

	Note	3 months ended		3 months ended	
		31.3.2019 RM'000	31.3.2018 RM'000	31.3.2019 RM'000	31.3.2018 RM'000
Revenue	8	50,324	46,281	50,324	46,281
Cost of sales		(34,282)	(27,843)	(34,282)	(27,843)
Gross profit		16,042	18,438	16,042	18,438
Other income		341	293	341	293
Selling & distribution expenses		(8,886)	(9,295)	(8,886)	(9,295)
Administrative expenses		(5,181)	(4,628)	(5,181)	(4,628)
Finance costs	18	(245)	(49)	(245)	(49)
Profit before tax	17	2,071	4,759	2,071	4,759
Income tax expense	19	(496)	(740)	(496)	(740)
Profit for the period		1,575	4,019	1,575	4,019
Other comprehensive income					
Exchange differences on translation of foreign operations		113	(2,680)	113	(2,680)
Other comprehensive expense, net of tax		113	(2,680)	113	(2,680)
Total comprehensive income for the period		1,688	1,339	1,688	1,339
Profit attributable to:					
Owners of the company		1,575	4,019	1,575	4,019
Non-controlling interest		-	-	-	-
Profit for the period		1,575	4,019	1,575	4,019
Total comprehensive income attributable to:					
Owners of the company		1,688	1,339	1,688	1,339
Non-controlling interest		-	-	-	-
Total comprehensive income for the period		1,688	1,339	1,688	1,339
Earnings per share					
Basic (sen)	24	0.44	1.12	0.44	1.12
Diluted (sen)		N/A	N/A	N/A	N/A

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019 - UNAUDITED

	Note	unaudited 31.3.2019 RM'000	audited 31.12.2018 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		243,586	244,423
Investment properties		2,461	2,469
Prepaid lease payments		2,949	2,935
Deferred tax assets		508	475
		<u>249,504</u>	<u>250,302</u>
Current assets			
Other investments		466	2,414
Inventories		23,350	23,466
Current tax assets		6,042	5,778
Trade and other receivables		51,585	52,788
Prepayments		3,482	2,713
Cash and cash equivalents		39,780	39,459
		<u>124,705</u>	<u>126,618</u>
Total assets		<u><u>374,209</u></u>	<u><u>376,920</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		179,760	179,760
Reserves		134,405	141,705
Total equity		<u>314,165</u>	<u>321,465</u>
Liabilities			
Non-current liabilities			
Loans and borrowings	21	12,075	12,981
Deferred tax liabilities		5,660	5,660
		<u>17,735</u>	<u>18,641</u>
Current liabilities			
Loan and borrowings	21	7,617	3,621
Trade and other payables		33,601	32,456
Current tax liabilities		1,091	737
		<u>42,309</u>	<u>36,814</u>
Total liabilities		<u>60,044</u>	<u>55,455</u>
Total equity and liabilities		<u><u>374,209</u></u>	<u><u>376,920</u></u>
Net assets per share attributable to owners of the Company (RM)		<u>0.87</u>	<u>0.89</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2019 - UNAUDITED

	<-----Attributable to owners of the Company----->				
	<-----Non-distributable----->		Distributable		
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
(Audited)					
At 1 January 2018	179,760	-	9,985	119,055	308,800
Net profit for the financial year	-	-	-	22,807	22,807
Other comprehensive expense for the financial year	-	-	(1,154)	-	(1,154)
Total comprehensive (expense)/income for the financial year	-	-	(1,154)	22,807	21,653
Contributions by and distributions to owners -dividends to owners of the Company	-	-	-	(8,988)	(8,988)
At 31 December 2018	<u>179,760</u>	<u>-</u>	<u>8,831</u>	<u>132,874</u>	<u>321,465</u>
(Unaudited)					
At 1 January 2019	179,760	-	8,831	132,874	321,465
Net profit for the financial period	-	-	-	1,575	1,575
Other comprehensive expense for the financial year	-	-	113	-	113
Total comprehensive income for the financial year	-	-	113	1,575	1,688
Contributions by and distributions to owners -dividends to owners of the Company	-	-	-	(8,988)	(8,988)
At 31 March 2019	<u>179,760</u>	<u>-</u>	<u>8,944</u>	<u>125,461</u>	<u>314,165</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2019 - UNAUDITED

	unaudited 31.3.2019 RM'000	audited 31.12.2018 RM'000
Cash flows from operating activities		
Profit before tax	2,071	29,244
Adjustments for:		
Depreciation and amortisation	4,186	6,967
Finance income from deposits	(140)	(655)
Interest expense	209	413
Gain on disposal of property, plant and equipment	(18)	(48)
Trade and other receivables written off	-	653
Net impairment (gain)/loss on financial assets	(39)	683
Unrealised foreign exchange differences	430	(243)
<i>Operating profit before working capital changes</i>	<u>6,699</u>	<u>37,014</u>
Changes in working capital:		
Inventories	115	(8,256)
Trade and other receivables, prepayments and other financial assets	672	(6,509)
Trade and other payables	881	(942)
<i>Cash generated from operations</i>	<u>8,367</u>	<u>21,307</u>
Income tax paid	(670)	(3,329)
Income tax refund	202	-
Net cash from operating activities	<u>7,899</u>	<u>17,978</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment, net of interest capitalised	(3,068)	(21,279)
Proceeds from disposal of property, plant and equipment	33	51
Finance income from deposits	140	655
Changes in investment in unit trusts	1,987	(2,225)
Net cash used in investing activities	<u>(908)</u>	<u>(22,798)</u>
Cash flows from financing activities		
Dividends paid to owners of the Company	(8,988)	(8,988)
Repayment of loans and borrowings	(905)	(7,761)
Finance cost on loans and borrowings	(209)	(413)
Drawdown of loans and borrowings	3,981	-
Net cash used in financing activities	<u>(6,121)</u>	<u>(17,162)</u>
Net increase/(decrease) in cash and cash equivalents	870	(21,982)
Effect of changes in foreign exchange rate	(549)	(1,344)
Cash and cash equivalents at beginning of year	<u>39,459</u>	<u>62,785</u>
Cash and cash equivalents at end of year	<u>39,780</u>	<u>39,459</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

1 Basis of Preparation

The condensed consolidated interim financial statements ("interim financial statements") are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS"), MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2018. These explanatory notes attached to the interim financial statement provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2018.

The interim financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in audited financial statements for the financial year ended 31 December 2018, except for the newly issued Malaysia Financial Reporting Standards (MFRS), interpretations and amendments to standards to be applied for the financial period beginning on or after 1 January 2019:

MFRS 16	Leases
Amendments to MFRS 3	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 11	Annual Improvements to MFRS Standards 2015-2017 Cycle
Amendments to MFRS 112	Annual Improvements to MFRS Standards 2015-2017 Cycle
IC Interpretation 23	Uncertainty over Income Tax Treatments

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

Effective for financial periods beginning on or after 1 January 2020

Amendments to MFRS 2	Shared-based Payments
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources
Amendments to MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 134	Interim Financial Reporting
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 138	Intangible Assets
Amendments to:-	
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
IC Interpretation 20	Stripping Cost in the Production Phase of a Surface Mine
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
IC Interpretation 132	Intangible Assets - Web Site Costs

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect to the financial statements of the Group upon their initial application.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

2 Qualification of financial statements

There was no qualification made on the preceding audited financial statements.

3 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and unaudited financial period ended 31 March 2019.

5 Changes in estimates

There were no significant changes in estimates for prior periods that have materially affected the results of this quarter and financial period ended 31 March 2019.

6 Debt and equity securities

The Company has implemented an ESOS of up to 15% of the Company's issued and paid-up share capital (excluding treasury shares, if any) for the eligible employees of the Group effective from 2 October 2018. As at the date of this report, the Company has yet to grant any options under the ESOS.

7 Dividends paid

The following dividends were paid during the current and previous financial year ended:

	31 Dec 2019	31 Dec 2018
First interim dividend		
For the financial year ended	31 Dec 2019	31 Dec 2018
Approval and declared on	4 Mar 2019	1 Mar 2018
Date paid	29 Mar 2019	30 Mar 2018
Number of ordinary shares on which dividends were paid ('000)	359,520	359,520
Interim dividend per share (single-tier)	2.5 sen	2.5 sen
Net dividend paid (RM'000)	8,988	8,988

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

8 Segmental information

The Group's business segments comprise mainly the manufacturing and sale of frozen food products.

Business segmental information therefore has not been prepared as all the Group's revenue, operating profit, assets employed, liabilities, depreciation and amortisation, and non-cash expenses are mainly confined to one business segment.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	3 months ended		Year-to-date ended	
	31 Mar 2019	31 Mar 2018	31 Mar 2019	31 Mar 2018
	RM'000	RM'000	RM'000	RM'000
Malaysia	19,706	19,262	19,706	19,262
Rest of Asia	11,573	9,633	11,573	9,633
Europe	5,635	5,385	5,635	5,385
North America	11,541	10,157	11,541	10,157
Oceania	1,687	1,735	1,687	1,735
Africa	182	109	182	109
Consolidated	<u>50,324</u>	<u>46,281</u>	<u>50,324</u>	<u>46,281</u>

9 Valuation of property, plant and equipment

No revaluation of property, plant and equipment were undertaken during the current quarter under review.

10 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the current quarter up to the date of this report.

11 Capital commitments

The capital commitments of the Group as at 31 March 2019 is as follows:

Property, plant and equipment	RM'000
Contracted but not provided for	<u>5,400</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

12 Related party transactions

The Group's related party transactions in the current quarter and the cumulative period-to-date ended 31 March 2019 are as follows:

	3 months ended 31 Mar 2019 RM'000	Year-to-date ended 31 Mar 2019 RM'000
Transactions with a company in which the daughter of Gan Thiam Chai and Kwan Sok Kay, the spouse of Timothy Tan Heng Han, Directors of the Company has interests: Hot & Roll Sdn Bhd -Sales	356	356
Transactions with a company in which the spouse of Gan Thiam Hock, a Director of the Company has interests: K.C. Belight Food Industry (M) Sdn Bhd -Sales	2	2
Transactions with a company in which the sons and the spouse of Gan Thiam Hock, a Director of the Company has interests: MH Delight Sdn Bhd -Sales -Purchases	184 430	184 430
Transaction with a company in which the daughters of Gan Thiam Chai and Kwan Sok Kay, the son of Gan Thiam Hock and the spouse of Timothy Tan Heng Han, Directors of the Company have interests: Food Valley Sdn Bhd -Purchases	4,895	4,895
Transactions with companies in which Nareshchandra Gordhandas Nagrecha, a Director of the Company has interest: Shana Foods Limited -Sales	4,085	4,085
Rubicon Food Products Limited -Sales	1,871	1,871

The above transactions have been entered in the normal course of business and have been established on terms and condition that are not materially different from those obtainable in similar transactions with unrelated parties.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

13 Review of performance

	3 months ended 31 Mar 2019 RM'000	3 months ended 31 Mar 2018 RM'000	Changes (%)	Year-to-date ended 31 Mar 2019 RM'000	Year-to-date ended 31 Mar 2018 RM'000	Changes (%)
Revenue	50,324	46,281	8.7%	50,324	46,281	8.7%
Profit before tax	2,071	4,759	-56.5%	2,071	4,759	-56.5%
Profit after tax	1,575	4,019	-60.8%	1,575	4,019	-60.8%
Profit attributable to owners of the Company	1,575	4,019	-60.8%	1,575	4,019	-60.8%

Quarter 1, 2019 vs Quarter 1, 2018

For the current quarter ended 31 March 2019, the Group recorded a revenue of RM50.3 million, 8.7% higher than the corresponding quarter ended 31 March 2018. The increase in turnover were mainly due to sales volume increase in export market and higher tortilla sales in China market in the current quarter.

Profit after tax for the Group decreased to RM1.6 million from RM4.0 million in the corresponding quarter ended 31 March 2018, mainly due by additional depreciation cost of RM2.6 million.

14 Variance of quarterly results compared to preceding quarter

	Current Quarter 31 Mar 2019 RM'000	Immediate Preceding Quarter 31 Dec 2018 RM'000	Changes %
Revenue	50,324	52,819	-4.7%
Profit before tax	2,071	11,566	-82.1%
Profit after tax	1,575	7,585	-79.2%
Profit attributable to owner of the Company	1,575	7,585	-79.2%

The Group recorded a turnover of RM50.3 million and profit after tax of RM1.6 million for the current quarter under review compared to the immediate preceding quarter of RM52.8 million and RM7.6 million respectively. The decrease in profit after tax was mainly due to additional depreciation cost of RM2.6 million and higher trading sales with lower profit margin during the quarter as compared to immediate preceding quarter.

15 Commentary on the prospect

The relocation from both factories to Pulau Indah has been successfully completed in Q4 2018. With this world class facility we will be able to achieve greater operational efficiency and simultaneously improve production capacity.

The overall market is expected to remain challenging as the market will be impacted by market uncertainties both domestically and globally. The Group will continue to focus in improving the Group's performance by innovating new products portfolio, improving operational efficiency, adopting cost saving measures and broadening the distributor network to grow the Group's revenue and profitability.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

16 Variance of actual and profit forecast

The Group did not issue any profit forecast or profit guarantee for the current financial year.

17 Profit before tax

The following have been included in arriving at profit before tax:

	3 months ended 31 Mar 2019 RM'000	3 months ended 31 Mar 2018 RM'000	Year-to-date ended 31 Mar 2019 RM'000	Year-to-date ended 31 Mar 2018 RM'000
Profit before tax is arrived at after charging:				
Interest expense	209	7	209	7
Depreciation and amortisation	4,186	1,540	4,186	1,540
Foreign exchange loss/(gain)				
-Realised	331	(12)	331	(12)
-Unrealised	99	873	99	873
Loss on disposal of property, plant and equipment	-	1	-	1
and after crediting:				
Interest income	139	158	139	158
Other income	201	135	201	135
Gain on disposal of property, plant and equipment	18		18	

18 Finance cost

	3 months ended 31 Mar 2019 RM'000	3 months ended 31 Mar 2018 RM'000	Year-to-date ended 31 Mar 2019 RM'000	Year-to-date ended 31 Mar 2018 RM'000
Interest expense of financial liabilities that are -not at fair value through profit or loss:				
Term loans, secured	209	211	209	211
Other bank charges	36	42	36	42
	<u>245</u>	<u>253</u>	<u>245</u>	<u>253</u>
Recognised in profit or loss				
Capitalised on qualifying assets: -property, plant and equipment	245	49	245	49
	<u>-</u>	<u>204</u>	<u>-</u>	<u>204</u>
	<u>245</u>	<u>253</u>	<u>245</u>	<u>253</u>

19 Income tax expense

	3 months ended 31 Mar 2019 RM'000	Year-to-date ended 31 Mar 2019 RM'000
Tax expense - Current year	528	528
Deferred tax expense		
-origination and reversal of temporary differences	(32)	(32)
Total	<u>496</u>	<u>496</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2019

20 Corporate Proposals

There were no corporate proposal announced but not completed as at date of this report.

21 Borrowings (secured)

	As at 31 Mar 2019 RM'000	As at 31 Mar 2018 RM'000
Short term borrowings: in Malaysia Ringgit	7,617	3,621
Long term borrowings: in Malaysia Ringgit	12,075	12,981

22 Material litigation

The Group does not have any material litigation as at the date of this announcement.

23 Dividends

An interim single tier dividend of 2.5 sen per ordinary share totalling RM8,987,995 in respect of the financial year ending 31 December 2019 has been paid on 29 March 2019.

24 Earnings per share ("EPS")

a) Basic earnings per share

	3 months ended 31 Mar 2019	3 months ended 31 Mar 2018	Year-to-date ended 31 Mar 2019	Year-to-date ended 31 Mar 2018
Profit attributable to equity holders of the parent (RM'000)	1,575	4,019	1,575	4,019
Weighted average number of ordinary shares in issue (units)	359,519,760	359,519,760	359,519,760	359,519,760
Basic earnings per share (sen)	0.44	1.12	0.44	1.12

b) Diluted earnings per share

There are no diluted EPS as the Company does not have any convertible financial instrument as at the end of the current quarter under review.

By Order of the Board

Gan Thiam Chai
 Executive Chairman
 Date: 30 May 2019