

**RESINTECH BERHAD ( 199501012460 [341662-X] )****CONDENSED CONSOLIDATED PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME****For the period ended 31 Dec 2020**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31 Dec 2020 RM'000 (Unaudited)	Preceding Year Corresponding Quarter 31 Dec 2019 RM'000 (Audited)	Current Year To Date 31 Dec 2020 RM'000 (Unaudited)	Preceding Year Corresponding Period 31 Dec 2019 RM'000 (Audited)
Revenue		21,634	17,285	54,430	60,472
Cost of sales		(15,826)	(12,811)	(41,811)	(46,977)
Gross profit		<u>5,808</u>	<u>4,474</u>	<u>12,619</u>	<u>13,495</u>
Other operating income		1,022	248	2,441	1,623
Selling and distribution expenses		(637)	(609)	(1,659)	(1,591)
Administrative expenses		(1,655)	(1,895)	(4,902)	(6,557)
Other operating expenses		(838)	(1,400)	(2,167)	(2,200)
Finance costs		(320)	(416)	(965)	(1,109)
<b>Profit before taxation</b>		<u>3,380</u>	<u>402</u>	<u>5,367</u>	<u>3,661</u>
Income tax expense	B5	(779)	290	(1,545)	(900)
<b>Profit after taxation</b>		<u><u>2,601</u></u>	<u><u>692</u></u>	<u><u>3,822</u></u>	<u><u>2,761</u></u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>					
Equity holders of the parent		2,601	692	3,822	2,761
Minority interests		-	-	-	-
		<u><u>2,601</u></u>	<u><u>692</u></u>	<u><u>3,822</u></u>	<u><u>2,761</u></u>
<b>Earnings per share (sen):</b>					
Basic	B11	<u>1.90</u>	<u>0.50</u>	<u>2.79</u>	<u>2.01</u>

This is prepared based on consolidated results of the Group for the financial period under review and is to be read in conjunction with the Notes to the Interim Financial Report and the audited consolidated results of the Group for the financial year ended 31 March 2020.

**RESINTECH BERHAD ( 199501012460 [341662-X] )****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****For the period ended 31 Dec 2020**

(The figures have not been audited)

	<b>Current year quarter 31 Dec 2020 RM'000 (Unaudited)</b>	<b>As at 31 Mar 2020 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	46,199	47,263
Right-of-use asset	51,250	51,126
Other investment	7,504	7,504
Investment properties	33,192	38,219
Intangible asset	666	-
	<u>138,811</u>	<u>144,112</u>
<b>NON-CURRENT ASSET HELD FOR SALE</b>	5,600	5,600
<b>CURRENT ASSETS</b>		
Inventories	20,140	21,225
Short-term investment	4,657	482
Trade receivables	19,532	17,038
Other receivables, deposits and prepayments	18,366	14,282
Tax refundable	357	36
Fixed deposits with a licensed bank	7,075	4,992
Cash and bank balances	5,526	4,818
	<u>75,653</u>	<u>62,873</u>
<b>TOTAL ASSETS</b>	<u>220,064</u>	<u>212,585</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	68,602	68,602
Revaluation reserves	43,736	46,667
Reserves relating to non-current asset held for sale	3,857	3,857
Fair value reserve	5,481	5,481
Foreign exchange translation reserve	(222)	(40)
Retained profits	42,930	38,235
<b>TOTAL EQUITY</b>	<u>164,384</u>	<u>162,802</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term borrowings	5,807	4,355
Deferred tax liabilities	18,426	19,227
	<u>24,233</u>	<u>23,582</u>

**RESINTECH BERHAD ( 199501012460 [341662-X] )****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****For the period ended 31 Dec 2020**

(The figures have not been audited)

	<b>Current year quarter 31 Dec 2020 RM'000 (Unaudited)</b>	<b>Current year quarter 31 Mar 2020 RM'000 (Audited)</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	3,489	2,414
Other payables and accruals	3,190	3,657
Provision for taxation	1,903	1,200
Short-term borrowings	18,949	12,319
Bank overdrafts	2,875	5,570
	<u>30,406</u>	<u>25,160</u>
<b>LIABILITIES ASSOCIATED WITH NON-CURRENT ASSET HELD FOR SALE</b>		
	1,041	1,041
<b>TOTAL LIABILITIES</b>	<u>55,680</u>	<u>49,783</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>220,064</u>	<u>212,585</u>
Net Assets per share based on number of shares in issue (sen)	<u>119.81</u>	<u>118.66</u>

**Note:**

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Notes to the Interim Financial Report and the Group's audited financial statements for the financial year ended 31 March 2020.

Net assets per share is arrived at based on the Group's Net Assets over the number of ordinary shares in issue of 137,204,900 shares.

**RESINTECH BERHAD ( 199501012460 [341662-X] )**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**For the period ended 31 Dec 2020**

(The figures have not been audited)

	Share Capital RM'000	Revaluation Reserve RM'000	Non-Current Asset Held For Sale Reserve RM'000	Fair Value Reserve RM'000	Exchange Translation Reserve RM'000	Attributable To Owners of The Company RM'000	Sub-total RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
<b>Financial year ended 31 March 2020</b>									
Balance as at 31.03.2019	68,602	27,847	3,857	5,675	(496)	33,449	138,934	(21)	138,913
Profit after taxation for the financial year	-	-	-	-	-	4,011	4,011	-	4,011
<u>Other comprehensive income, net of tax</u>									
Fair value reserves	-	-	-	(194)	-	-	(194)	-	(194)
Foreign currency translation	-	-	-	-	456	-	456	-	456
Realisation of revaluation surplus	-	(775)	-	-	-	775	-	-	-
Realisation surplus during the year	-	19,595	-	-	-	-	19,595	-	19,595
Strike off of subsidiaries	-	-	-	-	-	-	-	21	21
<b>At 31 Mar 2020 (audited)</b>	<b>68,602</b>	<b>46,667</b>	<b>3,857</b>	<b>5,481</b>	<b>(40)</b>	<b>38,235</b>	<b>162,802</b>	<b>-</b>	<b>162,802</b>
Profit after taxation for the financial period	-	-	-	-	-	3,822	3,822	-	3,822
<u>Other comprehensive income, net of tax</u>									
Foreign currency translation	-	-	-	-	(182)	-	(182)	-	(182)
Realisation of revaluation surplus	-	(2,931)	-	-	-	2,931	-	-	-
Dividend	-	-	-	-	-	(2,058)	(2,058)	-	(2,058)
<b>At 31 Dec 2020 (unaudited)</b>	<b>68,602</b>	<b>43,736</b>	<b>3,857</b>	<b>5,481</b>	<b>(222)</b>	<b>42,930</b>	<b>164,384</b>	<b>-</b>	<b>164,384</b>

This is prepared based on consolidated results of the Group for the financial period under review and is to be read in conjunction with the Notes to the Interim Financial Report and the audited consolidated results of the Group for the financial year ended 31 March 2020.

**RESINTECH BERHAD ( 199501012460 [341662-X] )****CONDENSED CONSOLIDATED CASH FLOW STATEMENT****For the period ended 31 Dec 2020**

(The figures have not been audited)

	<b>Current Year To Date 31 Dec 2020 RM'000 (Unaudited)</b>	<b>Preceding Year To Date 31 Dec 2019 RM'000 (Audited)</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Profit before taxation	5,367	3,661
Adjustments for:		
Bad debts written off	2	-
Depreciation		
- property, plant and equipment	3,205	3,862
- rights-of-use assets	1,446	-
Dividend income	(39)	-
Gain on disposal of plant and equipment	(22)	-
Loss on disposal of investment property	380	-
Equipment written off	1	6
Interest income	(93)	(102)
Interest expense	965	1,109
Reversal of allowance for doubtful debts	(301)	-
Net unrealised gain on foreign exchange	(315)	(289)
Operating profit before working capital changes	<u>10,596</u>	<u>8,247</u>
Inventories	1,085	572
Receivables	(2,624)	(1,313)
Payables	608	(1,356)
Cash from operations	<u>9,665</u>	<u>6,150</u>
Interest paid	(965)	(1,109)
Tax paid	(1,124)	(512)
Net cash for operating activities	<u>7,576</u>	<u>4,529</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Proceed from disposal of property, plant and equipment	24	-
Dividend received	39	-
Cost of investment in subsidiary	(666)	-
Interest received	93	102
Fixed deposits with tenure more than 3 months	(413)	-
Proceed from disposal of investment property	645	-
Purchase of other investment	-	214
Purchase of right-of-use	(1,463)	-
Purchase of investment property	-	(1,860)
Purchase of property, plant and equipment	(2,150)	(2,430)
Net cash for investing activities	<u>(3,891)</u>	<u>(3,974)</u>

**RESINTECH BERHAD ( 199501012460 [341662-X] )****CONDENSED CONSOLIDATED CASH FLOW STATEMENT****For the period ended 31 Dec 2020**

(The figures have not been audited)

CASH FLOWS FOR FINANCING ACTIVITIES		
Bill payables	5,485	(667)
Dividend paid	(2,058)	-
Net decrease in hire purchase obligations	(215)	(459)
Net increase in term loans	2,812	835
Net cash for financing activities	<u>6,024</u>	<u>(291)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
Effects of foreign exchange translation	(138)	1,428
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		
	4,299	(55)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		
A17	<u>13,870</u>	<u>1,637</u>

This is prepared based on the consolidated results of the Group for the financial year ended under review and is to be read in conjunction with the audited financial results for the financial year ended 31 March 2020.

**PART A: EXPLANATORY NOTES PERSUANT TO FINANCIAL REPORTING STANDARD 134 (“FRS 134”)**

**A1. Basis of preparation**

The interim financial statements of Resintech Berhad (“RB”) are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134 – Interim Financial Reporting issued by the Malaysian Accounting standards Board (“MASB”) and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2020. These explanatory notes attached to the interim financial statements 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 March 2020.

The accounting policies and methods of computation adopted in this quarterly financial statements of the Group are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 March 2020 except for the adoption of the followings:-

<b>FRSs/IC Interpretations</b>	<b>Effective date</b>
MFRS 17 Insurance Contracts	1 January 2021
IC Interpretation 23 Uncertainty Over Income Tax Treatments	1 January 2019
Amendments to MFRS 3: Definition of Business	1 January 2020
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material MFRS 15	1 January 2020
Amendments to MFRS 119: Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted in this interim financial statements of the Group are consistent with those adopted for the annual financial statements of the Group for the financial year ended 31 March 2020.

**A3. Qualification of Annual Financial Statements**

There were no audit qualifications on the financial statements of the Company for the financial year ended 31 March 2020.

## Notes – for the financial period ended 31 Dec 2020

**A4. Seasonal and cyclical factors**

The Group's business operations were not materially affected by any major seasonal or cyclical factors.

**A5. Unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual nature and amounts of items affecting assets, liabilities, equity, net income or cash flows during the current quarter under review.

**A6. Material changes in estimates**

There were no material changes in estimates of amounts reported in the current quarter under review.

**A7. Issuances and repayment of debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

**A8. Dividend Paid**

No dividend is paid during this period under review.

**A9. Segment information**Operating Segment

In determining the operating segments of the Group, segment revenue is based on the products and services provided.

The Group's financial information analyzed by operating segment as at 31 Dec 2020 was as follows:

	9-Mth to Dec 2020				Consolidation adjustment RM'000	Group RM'000
	Manufacturing and trading RM'000	Services RM'000	Investment holding RM'000	Others RM'000		
Revenue						
External	54,430	-	-	-		54,430
Inter-segment	34,564	360	-	-	(34,924)	-
	<hr/>	<hr/>	<hr/>	<hr/>		<hr/>
	88,994	360	-	-		54,430
Results						
Segment results	7,145	143	182	-	(1,138)	6,332
Finance costs	(965)	-	-	-		(965)
	<hr/>	<hr/>	<hr/>	<hr/>		<hr/>
Profit before tax	6,180	143	182	-		5,367



**Segment information (continued)**

	9-Mth to Dec 2019				Consolidation adjustment RM'000	Group RM'000
	Manufacturing and trading RM'000	Services RM'000	Investment holding RM'000	Others RM'000		
Revenue						
External	60,472	-	-	-		60,472
Inter-segment	37,436	360	-	-	(37,796)	-
	<u>97,908</u>	<u>360</u>	<u>-</u>	<u>-</u>		<u>60,472</u>
Results						
Segment results	13,506	311	304	332	(9,384)	4,770
Finance costs	(1,109)	-	-	-		(1,109)
	<u>12,397</u>	<u>311</u>	<u>304</u>	<u>332</u>		<u>3,661</u>

**A10. Valuation of property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

There were revaluation of property, plant and equipment in these financial statements.

**A11. Material events subsequent to the end of the interim period**

There were no material events subsequent to the current financial quarter ended up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

**A12. Changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter under review.

**A13. Changes in contingent liabilities and contingent assets**

As at the date of this announcement, there were no material contingent liabilities and contingent assets incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

**A14. Capital Commitments**

	Current Year-To-Date 31 Dec 2020 RM' 000 Group	Current Year-To-Date 31 Dec 2020 RM' 000 Company
Capital expenditure Approved and contracted for	<u>4,543</u>	<u>-</u>

**A15. Contingent Liabilities**

	<b>Current Year-To-Date 31 Dec 2020 RM' 000 Group</b>	<b>Current Year-To-Date 31 Dec 2020 RM' 000 Company</b>
Corporate guarantees given to licensed bank for banking facilities granted to subsidiaries	<u>24,083</u>	<u>-</u>

**A16. Significant Related Party Transactions**

There were no significant related party transactions during the financial period under review.

**A17. Cash and cash equivalents**

	<b>At 31 Dec 2020 RM' 000</b>
Fixed deposits	7,075
Cash and bank balances	5,526
Money market funds	4,557
Bank overdrafts	(2,875)
Fixed deposit pledged to bank	(413)
	<u>13,870</u>

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS****B1. Review of performance**

The Group achieved revenue of RM54.43 million for the financial period ended 31 Dec 2020 as compared to RM60.47 million recorded for the financial period ended 31 Dec 2019. This is a dropped by approximately 10%, mainly due to the covid-19 pandemic movement restrictions which disrupted our manufacturing and delivery activities, both locally and across the borders. The Group recorded higher profit before tax of RM5.37 million and profit after taxation of RM3.82 million as compared to a profit before taxation of RM3.66 million and profit after taxation of RM2.76 million for previous financial period ended 31 Dec 2019 mainly due to lower operating cost. Included in the results are reversal of allowance for doubtful debts of approximately RM0.30 million, loss on disposal of investment property of RM0.38 million.

**B2. Variation of results against preceding quarter**

The Group achieved revenue of RM21.63 million for the current quarter under review as compared to RM22.36 million in the previous quarter. The Group recorded profit before taxation of RM3.38 million and profit after taxation of RM2.60 million for current financial period under review as compared to profit before taxation of RM1.91 million and profit after taxation of RM1.24 million for preceding quarter.

**B3. Current year prospects**

It is a challenging time ahead as the widespread of covid-19 pandemic is negatively affecting the business operations of the Group. Economic outlook is uncertain and volatile. The Group will monitor and manage the impact therefrom as well as continue with its effort to improve the performance of all segments by improving the demand for its products as well as implementing measures to reduce expenditure. The Group will also monitor and adhere to the Standard Operating Procedure outlined by the Government.

**B4. Variance of actual and forecast profit**

The disclosure requirements for the explanatory notes for the variance of actual profit and forecast profit and for the shortfall in profit guarantee are not applicable.

**B5. Income tax**

	<b>Individual Quarter 31 Dec 2020 RM' 000</b>	<b>Individual Quarter 31 Dec 2019 RM' 000</b>
Current tax expense/(credit)	851	(241)
Deferred tax expense/(credit)	(72)	(49)
	<u>779</u>	<u>(290)</u>

Tax expense for the current period ended 31 Dec 2020 is derived based on management's best estimate.

**B6. Notes to Comprehensive Income Statement**

	Individual Quarter		Cumulative Quarter	
	31 Dec 2020 RM'000	31 Dec 2019 RM'000	31 Dec 2020 RM'000	31 Dec 2019 RM'000
Interest income	(29)	(38)	(93)	(102)
Interest expense	320	416	965	1,109
Depreciation				
Property, plant and equipment	1,079	1,316	3,205	3,862
Rights-of-use assets	484	-	1,446	-
Impairment loss of property and equipment	1	-	1	6

**B7. Status of corporate proposal**

There were no corporate proposals announced for the financial period under review.

**B8. Group borrowings**

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short-Term (Secured) RM'000	Long-Term (Secured) RM'000
Bank overdrafts	2,875	-
Lease liabilities	393	307
Trust receipts and bankers' acceptances	16,475	-
Term loans	2,081	5,500
Total	<u>21,824</u>	<u>5,807</u>

**B9. Material Litigations**

Save as disclosed below, neither our Group or our subsidiary companies is engaged in any litigation either as plaintiff or defendant pending since the previous financial period which might materially affect the position or business of the Company or any of its subsidiaries:-

- (i) On 4 April 2016, our subsidiary, Resintech Plastics (M) Sdn Bhd (“RPSB”), filed a claim for RM985,407.80 together with interest against Banjaran Mendi Trading owned by Datin Norini Binti Abdul Malek (“First Defendant”) and its guarantors, Dato’ Mustaffa Bin Shariff , for goods sold and delivered. Defendants did not enter appearance and/or defence. Sealed judgement in default was obtained on 31 May 2016. Notice served to guarantors house address. Following Case Management for bankruptcy against First Defendant and Second Defendant in June and July 2017. Bankruptcy Order took place in January 2018.

Defendants files Notice of Application to set aside judgement in default and notice of application for stay of bankruptcy proceeding. We have filed Affidavit in Reply and defendants have served Defendant’s Affidavit in Reply on 23 April 2018. On 4 May 2018, the judge allowed the defendant’s application and case management took place on 23 May 2018. We had had applied for Summary Judgment (Order 14) where further Case Management was fixed on 6 June 2018.

On 6 June 2018, the Court instructed us to file Affidavit in Support and Defendants to file their Affidavit in Reply by 11 June 2018 and 25 June 2018 respectively and set the matter for further case management on 27 June 2018. Thereafter, the Court on 27 June 2018 fixed 12 July 2018 for us to file our Affidavit in Reply and 27 July 2018 for both parties to file Written Submissions and Bundle of Authorities. The Court on 6 August 2018 granted Summary Judgement (Order 14) and cost of RM3,000.00 in favour of us and against Defendants.

Defendants subsequently appealed to the Shah Alam High Court. On 21 Nov 2018, the Honourable Judge of Shah Alam High Court has struck out the Appellants application to set aside our Summary Judgement with cost of RM2,000.00.

Sealed Judgement against Datin Norini and Dato’ Mustaffa were obtained on 15 November 2019. Sealed Bankruptcy Notice on Datin Norini has been served. Creditors Petition hearing was held on 14 July 2020. Bankruptcy proceeding commenced against Datin Norini was heard on 9 Sep 2020. Proof of Debts has been prepared and filing is currently pending as the payment counter at the Insolvency Department is still closed due to MCO. The Court has also fixed 3 May 2021 for Bankruptcy proceeding against Dato’ Mustaffa.

**B10. Dividends**

The Company did not declare any dividend payout during the period under review.

**B11. Basic earnings per share**

The basic earnings per share for the current quarter and cumulative year to date are computed as follow:-

	<b>Individual Current Year Quarter 31 Dec 2020 RM'000</b>	<b>Year To Date 31 Dec 2020 RM'000</b>
Profit attributable to holders of the parent for the period	<u>2,601</u>	<u>3,822</u>
Number of ordinary shares in issue	<u>137,205</u>	<u>137,205</u>
Basic earnings per share based on the number of shares in issue (sen)	<u>1.90</u>	<u>2.79</u>

The diluted earnings per share is equal to the basic earnings per share as there is an anti-dilutive effect arising from the conversion of warrants.

**B12. Derivative Financial Instruments**

The Group did not enter into any derivative financial instruments which were outstanding during the financial period under reviewed.

**B13. Authorisation for issue**

This quarterly report was authorized for issue by the Board of Directors in accordance with the resolution of the directors duly passed.