



Condensed Consolidated Statements of Comprehensive Income for the financial period ended 31 March 2022  
These figures have not been audited

	2022 Current Quarter ended 31 March RM'000	2022 Year-to-Date ended 31 March RM'000	2021 Current Quarter ended 31 March RM'000	2021 Year-to-Date ended 31 March RM'000
Revenue	52,580	52,580	175,243	175,243
Cost of sales	(47,424)	(47,424)	(68,100)	(68,100)
<b>Gross profit</b>	<b>5,156</b>	<b>5,156</b>	<b>107,143</b>	<b>107,143</b>
Other gains and losses	1,330	1,330	7,964	7,964
Operating expenses	(3,469)	(3,469)	(3,149)	(3,149)
<b>Profit from operations</b>	<b>3,017</b>	<b>3,017</b>	<b>111,958</b>	<b>111,958</b>
Finance costs	(1)	(1)	(38)	(38)
<b>Profit before tax</b>	<b>3,016</b>	<b>3,016</b>	<b>111,920</b>	<b>111,920</b>
Income tax expense	(465)	(465)	(25,347)	(25,347)
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	<b>2,551</b>	<b>2,551</b>	<b>86,573</b>	<b>86,573</b>
<b>Other comprehensive income, net of tax:</b>				
Foreign currency translation differences for foreign operations	(267)	(267)	(523)	(523)
<b>Total comprehensive income for the period attributable to Equity holders of the Company</b>	<b>2,284</b>	<b>2,284</b>	<b>86,050</b>	<b>86,050</b>
<b>Earnings per share:</b>				
Basic (sen)	0.29	0.29	10.44	10.44
Weighted average number of shares	851,781,226	851,781,226	829,446,751	829,446,751

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying notes attached to the interim financial statements.*



Condensed Consolidated Statements of Financial Position as at 31 March 2022  
These figures have not been audited

	As at 31 March 2022 RM'000	As at 31 December 2021 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	209,480	208,020
Prepaid lease payments	16,559	16,642
Right-of-use assets	1,556	1,785
	<u>227,595</u>	<u>226,447</u>
<b>Current Assets</b>		
Inventories	122,656	112,071
Trade and other receivables	35,047	30,338
Cash and bank balances	272,738	298,386
	<u>430,441</u>	<u>440,795</u>
<b>TOTAL ASSETS</b>	<b><u>658,036</u></b>	<b><u>667,242</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Issued capital	257,794	257,794
Treasury shares	(24,744)	(24,203)
Other reserves	308	575
Retained earnings	369,523	366,827
<b>TOTAL EQUITY</b>	<b><u>602,881</u></b>	<b><u>600,993</u></b>
<b>Non-current Liabilities</b>		
Borrowings	-	-
Lease liabilities	903	1,023
Deferred tax liabilities	16,741	17,179
	<u>17,644</u>	<u>18,202</u>
<b>Current Liabilities</b>		
Trade and other payables	35,791	47,205
Lease liabilities	709	819
Borrowings	1,011	23
	<u>37,511</u>	<u>48,047</u>
<b>TOTAL LIABILITIES</b>	<b>55,155</b>	<b>66,249</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>658,036</u></b>	<b><u>667,242</u></b>
Net asset per share (RM)	0.69	0.69

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying notes attached to the interim financial statements.



Condensed Consolidated Statements of Changes in Equity for the financial period ended 31 March 2022  
These figures have not been audited

	Attributable to Equity Holders of the Company				Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Non-distributable Translation Reserves RM'000	Retained Earnings RM'000	
<b>As at 01 January 2021</b>	191,212	(1,612)	8,318	179,751	377,669
Total comprehensive income for the period	-	-	(5,950)	86,573	80,623
Resale/(Purchase) of treasury shares	-	(2,249)	-	-	(2,249)
Effects of foreign exchange differences	-	-	(523)	-	(523)
<b>As at 31 March 2021</b>	<b>191,212</b>	<b>(3,861)</b>	<b>1,845</b>	<b>266,324</b>	<b>455,520</b>
<b>As at 01 January 2022</b>	257,794	(24,203)	575	366,972	601,138
Total comprehensive income for the period	-	-	-	2,551	2,551
Resale/(Purchase) of treasury shares	-	(541)	-	-	(541)
Effects of foreign exchange differences	-	-	(267)	-	(267)
<b>As at 31 March 2022</b>	<b>257,794</b>	<b>(24,744)</b>	<b>308</b>	<b>369,523</b>	<b>602,881</b>

*The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying notes attached to the interim financial statements.*



Condensed Consolidated Statements of Cashflows for the financial period ended 31 March 2022  
These figures have not been audited

	2022 Year-to-Date ended 31 March RM'000	2021 Year ended 31 December RM'000
Net cash generated from operating activities	(22,155)	134,310
Net cash used in investing activities	(3,994)	18,741
Net cash used in financing activities	(221)	40,373
Net increase/(decrease) in cash and cash equivalents	(26,370)	193,424
Effects of foreign exchange differences	(266)	(132)
Cash and cash equivalents at beginning of financial period	298,363	105,071
Cash and cash equivalents at end of financial period	<b>271,727</b>	<b>298,363</b>

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

Cash and bank balances	272,738	298,386
Short term borrowings - bank overdrafts	(1,011)	(23)
	<b>271,727</b>	<b>298,363</b>

*The condensed consolidated statements of cashflows should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying notes attached to the interim financial statements.*



## **NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

### **A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

#### **1. Basis of Preparation of the Financial Statements and Adoption of New and Revised Financial Reporting Standards (“FRSs”)**

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021.

The accounting policies and methods of computation adopted for the interim financial statements were consistent with those adopted for the annual audited financial statements for the year ended 31 December 2021.

#### **2. Auditor’s Report on Preceding Annual Financial Statements**

The auditor’s report on the financial statements of the Group and the Company for the previous year ended 31 December 2021 was not subject to any qualification.

#### **3. Seasonal or Cyclical Factors**

The Group’s products are not materially impacted by any seasonal or cyclical factors.

#### **4. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting the Group’s assets, liabilities, equity, net income or cash flows in the interim financial statements ended 31 March 2022.

#### **5. Changes in Material Estimates**

There were no changes in the nature and amount of estimates reported in prior financial year(s) that have a material effect in the interim financial statements ended 31 March 2022.

#### **6. Changes in Debt and Equity Securities**

##### **6.1 Share Buy-back**

In the current quarter, the Company purchased 1,571,000 ordinary shares from Bursa Malaysia Securities Berhad, for a total consideration of RM0.5 million.

As of 31 March 2022, a total of 43,171,000 shares were held as Treasury Shares by the Company.

#### **7. Dividends Paid**

No dividends have been declared by the Company in respect of the current financial year.



## 8. Segmental Information

Segmental information is presented in accordance to the Group's business and geographical segments by location of assets, which is the primary reporting format.

	Current Quarter ended 31 March 2022 RM'000	Cumulative year-to-date RM'000
<b>Segment Revenue:</b>		
Malaysia	56,048	56,048
Europe	22,101	22,101
	<hr/>	<hr/>
	78,149	78,149
Group adjustments	(25,569)	(25,569)
Total	<hr/> <b>52,580</b> <hr/>	<hr/> <b>52,580</b> <hr/>
<b>Segment Results:</b>		
Malaysia	2,933	2,933
Europe	(519)	(519)
	<hr/>	<hr/>
	2,414	2,414
Group adjustments	603	603
Total	<hr/> <b>3,017</b> <hr/>	<hr/> <b>3,017</b> <hr/>

## 9. Valuation of Property, Plant and Equipment

The Group did not carry out any revaluations on its property, plant and equipment in the current quarter ended 31 March 2022.

The values of property, plant and equipment have been brought forward without amendment from the previous annual financial statements ended 31 December 2021.

## 10. Subsequent Events

Other than as disclosed, there were no material events subsequent to the end of the current quarter that have not been reflected in the financial period ended 31 March 2022.

## 11. Changes in the Composition of the Group

Other than as disclosed, there were no changes to the composition of the Group including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations since the last audited financial year ended 31 December 2021.

## 12. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or assets since the last audited annual balance sheet date of 31 December 2021.



### 13. Capital Commitments

The commitment for the purchase of property, plant and equipment not provided for in the financial statements as of 31 March 2022 was as follows: -

	RM'000
Capital expenditure approved and contracted for	1,180

## B. ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### 1. Review of Performance

The Group achieved a sales turnover of RM52.6 million in the current quarter compared to RM175.2 million in the corresponding quarter ended 31 March 2021, a decrease of 70.0%. Group pretax profit recorded in the period was RM3.0 million, and net of tax, was RM2.6 million, a decrease by 97.0% from RM86.6 million in the corresponding quarter of the previous year.

Continuous easing of ASPs and low-capacity utilization due to oversupply of nitrile disposable gloves in the market has impacted adversely on this division, however, it was mitigated by the resilience and stability of the Group's other products, specifically in the household and industrial gloves division.

### 2. Material change in profits of the current quarter compared with preceding quarter

Pretax profit in the current quarter decreased by RM6.6 million or 68.8% to RM3.0 million, from RM9.6 million in the fourth quarter of the previous year. Net of tax, Group profits decreased to RM2.6 million in the current quarter, a reduction of 72.0% from RM9.3 million in the previous quarter owing to the persistent easing of average selling prices (ASP) for nitrile disposable gloves as well as slower order uptakes in the current quarter.

### 3. Current Year Prospects

The Group remains focused on its nitrile disposable glove division where glove orders and supply are expected to stabilize in the long run amidst heightened safety and hygiene awareness among the global population post-pandemic.

The Management foresees further softening of glove ASPs, especially in the nitrile disposable glove division, to persist in 2022. Further consolidation of the industry is also expected in the current year with the slowdown in demand of products from the healthcare sector. ASPs are also dampened by the additional glove capacity coming on-stream from existing and new players. However, the Management expects the Group's capacity utilization to gradually improve towards the second half of the year.



Meanwhile, demand for the Group's general-purpose and industrial gloves is expected to remain stable in the current year. With the Group's workforce fully vaccinated and approximately 89% further boosted, the Management expects sporadic COVID-19 cases and production interruptions to be minimized in the current year. The Management is also mindful of competition and operational risks such as foreign exchange fluctuations, material and labour costs that could impact on its financial results.

Nevertheless, barring any significant adverse effects of the on-going pandemic, the Group is still expected to remain profitable for financial year 2022.

#### 4. Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee has been issued for the current quarter.

#### 5. Taxation

	Current quarter ended 31 March 2022 RM'000	Cumulative year-to-date RM'000
Current year – Malaysian income tax	1,075	1,075
Current year – Foreign income tax	(130)	(130)
Deferred tax liability/(asset)	(480)	(480)
Total income tax expense	<b>465</b>	<b>465</b>

#### 6. Sales of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties for the current quarter ended 31 March 2022.

#### 7. Purchase/disposal of Quoted Securities

There were no purchase and/or disposal of quoted securities for the current quarter ended 31 March 2022.





**8. (a) Status of Corporate Proposals**

There were no corporate proposals not announced or outstanding as of 31 March 2022;

**(b) Status of Utilisation of Proceeds**

Details of the proceeds raised from the Private Placement exercise amounting to RM66.6 million as of 31 March 2022 were as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation	Deviation	Explanation (if the deviation is 5% or more)
Acquisition of double-formers nitrile disposable glove production lines	66,024	-	Within 24 months from completion i.e., August 2021	-	-
Estimated expenses	558	558	Immediate	-	-

**9. Group Borrowings and Debt Securities**

As of 31 March 2022, the Group does not have any term loans outstanding with any financial institutions.

**10. Financial Instruments Risks**

As of 31 March 2022, the Group has the following foreign currency contracts outstanding: -

Currency	Contracted Amounts '000	Ringgit Equivalent RM'000	Fair Values RM'000	Expiry Periods
U.S. Dollar (USD)	927	3,769	3,772	April – May 2022
Euro (EUR)	556	2,592	2,607	April – May 2022
		<b>6,361</b>	<b>6,379</b>	

The above foreign currency contracts were entered into with local licensed banks to hedge the Group's receivables and payables in foreign currencies. The contracted rates will be used to translate the underlying foreign currencies into Ringgit Malaysia.

These foreign currency contracts are of a short-term nature. The accounting policy adopted with regards to off balance sheet financial instruments was consistent with those applied in the last audited financial statements as at 31 December 2021.



### 11. Changes in Material Litigation

There was no outstanding material litigation as of 31 March 2022.

### 12. Dividend Payable

No dividend is proposed for the current quarter ended 31 March 2022.

### 13. Earnings per Share (“EPS”)

		Cumulative Year-to-Date ended 31 March 2022	Cumulative Year-to-Date ended 31 March 2021
<b>Continuing Operations</b>			
Profit for the period attributable to equity holders of the Company	RM'000	2,551	86,573
Weighted average number of ordinary shares in issue	Shares	873,379,184	829,446,751
<b>Basic EPS</b>	<b>sen</b>	<b>0.29</b>	<b>10.44</b>

### 14. Disclosure on COVID-19 related impacts

The demand for personal protective equipment including gloves prevails as these items are deemed critical in defense against COVID-19 and Management foresees glove consumption to be higher over time, post-pandemic (compared to the pre-pandemic years), due to greater health awareness and wider application of gloves in terms of hygiene and safety.

The Group continues to practice safe workplace habits including mask-wearing, sanitization of common work areas, transport vehicles and regular screening of employees. While sporadic positive COVID-19 cases may be detected from time to time, these are not expected to impact negatively on plant operations. The Group is also pleased to state that its current workforce is fully vaccinated.

### 15. Authorisation for Issue

The interim financial statements and explanatory notes were authorised for issue by the Board of Directors on 31 May 2022.