

**POLY GLASS FIBRE (M) BHD**

(Company No. 42138-X)  
(Incorporated in Malaysia)  
and its subsidiaries

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 28 FEBRUARY 2019**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 28 February 2019 RM'000 (Unaudited)	Preceding Year Quarter 28 February 2018 RM'000 (Unaudited)	Current Year To Date 28 February 2019 RM'000 (Unaudited)	Preceding Year To Date 28 February 2018 RM'000 (Audited)
Revenue	16,945	11,379	71,448	54,116
Operating Expenses	(16,745)	(12,105)	(62,852)	(51,133)
Other operating income	179	432	845	1,614
Results from operating activities	379	(294)	9,441	4,597
Interest income	44	4	79	61
Interest expenses	(416)	(457)	(1,815)	(1,917)
Profit before taxation	7	(747)	7,705	2,741
Tax expenses	(1,280)	(769)	(1,751)	(929)
Profit after taxation	(1,273)	(1,516)	5,954	1,812
Other comprehensive income for the period	-	-	-	-
Total comprehensive income/(loss) for the period attributable to owners of the Company	(1,273)	(1,516)	5,954	1,812
Earnings per share:				
Basic (based on ordinary shares of RM1 each) (sen)	(0.80)	(0.95)	3.72	1.13
<i>(Calculated based on the weighted average number of shares in issue during the period)</i>	159,975	159,975	159,975	159,975

The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report

**POLY GLASS FIBRE (M) BHD**

(Company No. 42138-X)  
(Incorporated in Malaysia)  
and its subsidiaries

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AT 28 FEBRUARY 2019**

	<b>As at end of Current Quarter 28 February 2019 RM'000 (Unaudited)</b>	<b>As at Preceding Financial Year End 28 February 2018 RM'000 (Audited) Restated</b>
<b>Assets</b>		
Property, plant and equipment	58,855	61,384
Investment property	5,736	5,865
Land held for property development	128,930	131,511
Deferred tax assets	608	1,387
<b>Total non-current assets</b>	<b>194,129</b>	<b>200,147</b>
Inventories	12,314	15,895
Trade and other receivables	13,719	11,581
Current tax assets	1	10
Cash and cash equivalents	6,612	699
<b>Total current assets</b>	<b>32,646</b>	<b>28,185</b>
<b>Total assets</b>	<b>226,775</b>	<b>228,332</b>
<b>Equity</b>		
Share capital	202,762	202,762
Reserves	(37,617)	(43,572)
<b>Equity attributable to owners of the Company</b>	<b>165,145</b>	<b>159,190</b>
<b>Liabilities</b>		
Loans and borrowings	16,720	17,927
Advances from a shareholder	8,817	11,167
Deferred tax liabilities	23,089	23,089
<b>Total non-current liabilities</b>	<b>48,626</b>	<b>52,183</b>
Loans and borrowings	4,208	7,965
Trade and other payables	8,724	8,962
Current tax liabilities	72	32
<b>Total current liabilities</b>	<b>13,004</b>	<b>16,959</b>
<b>Total liabilities</b>	<b>61,630</b>	<b>69,142</b>
<b>Total equity and liabilities</b>	<b>226,775</b>	<b>228,332</b>
<b>Net assets per share (sen)</b>	<b>103.23</b>	<b>99.51</b>

The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report

**POLY GLASS FIBRE (M) BHD**  
**(Company No 42138-X)**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 28 FEBRUARY 2019**

	← Attributable to owners of the Company →				Total RM'000
	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Distributable Capital reserve RM'000	
At 1 March 2017	202,762	181	(44,271)	670	159,342
Total comprehensive income for the period	-	-	1,812	-	1,812
Restated of deposit forfeited			310		310
Restated of land held for property development			(2,274)		(2,274)
At 28 February 2018	202,762	181	(44,423)	670	159,190
At 1 March 2018	202,762	181	(44,423)	670	159,190
Total comprehensive income for the period	-	-	5,954	-	5,954
At 28 February 2019	202,762	181	(38,469)	670	165,144

*The selected explanatory notes form an integral part of, and, should be read in conjunction with, this interim financial report*

# POLY GLASS FIBRE (M) BHD

(Company No. 42138-X)  
(Incorporated in Malaysia)  
and its subsidiaries

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 28 FEBRUARY 2019

	28 February 2019 RM'000 (Unaudited)	28 February 2018 RM'000 (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	7,705	2,741
<b>Adjustments for :</b>		
Depreciation of property, plant and equipment	5,292	5,427
Depreciation of investment property	128	127
Plant and equipment written off	10	2
Inventories written off	2,304	-
Interest income	(79)	(61)
Interest expense	1,815	1,917
Gain on disposal of property, plant and equipment	(17)	(150)
<b>Operating profit before changes in working capital</b>	<u>17,158</u>	<u>10,003</u>
<i>Changes in working capital :</i>		
Inventories	1,277	(1,162)
Land held for property development	2,581	(386)
Trade and other receivables	(2,137)	(1,277)
Trade and other payables	(238)	(785)
<b>Cash generated from operations</b>	<u>18,641</u>	<u>6,393</u>
Tax paid	(922)	(482)
<b>Net cash from operating activities</b>	<u>17,719</u>	<u>5,911</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	79	61
Proceeds from disposal of property, plant and equipment	42	1,677
Purchase of plant and equipment	(2,798)	(4,927)
Purchase of investment property	-	(136)
<b>Net cash used in investing activities</b>	<u>(2,677)</u>	<u>(3,325)</u>

**POLY GLASS FIBRE (M) BHD**

(Company No. 42138-X)  
(Incorporated in Malaysia)  
and its subsidiaries

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 28 FEBRUARY 2019**

	<b>28 February 2019</b> <b>RM'000</b> <b>(Unaudited)</b>	<b>28 February 2018</b> <b>RM'000</b> <b>(Audited)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayment)/Advances from a shareholder	(2,350)	1,350
Interest paid	(1,815)	(1,917)
(Drawdown)/Repayment of finance lease liabilities	37	(141)
Short term borrowings, net	(2,965)	(1,128)
Repayment of term loans, net	(1,198)	(2,984)
<b>Net cash used in financing activities</b>	<b>(8,291)</b>	<b>(4,820)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,751</b>	<b>(2,234)</b>
<b>Cash and cash equivalents at 1 March 2018/2017</b>	<b>(777)</b>	<b>1,457</b>
<b>Cash and cash equivalents at end of period</b>	<b>5,974</b>	<b>(777)</b>

*The selected explanatory notes form an integral part of, and, should be read in conjunction with,  
this interim financial report*

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2019**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with MFRS 134, Interim Financial Reporting and the additional disclosure requirements as in Part A of Appendix 9B of the Revised Listing Requirements.

The interim financial report should be read in conjunction with the most recent annual audited financial statements of the Group for the year ended 28 February 2018. These explanatory notes 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 year ended 28 February 2018.

The interim financial report of the Group for the period ended 31 May 2018 are the first set of financial statements prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) Framework. The date of transition to the MFRS Framework was on 1 March 2018.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with the most recent annual audited financial statements for the year ended 28 February 2019 except for the adoption of the following new and revised MFRSs, IC Interpretations and Amendments which are effective from the annual period on or after 1 January 2018:-

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

The initial application of the above standards, amendments or interpretations do not have any material impact on this interim financial report of the Group.

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28  
FEBRUARY 2019 (cont'd)**

**2. Audit Report For Preceding Financial Year**

Not applicable. No qualification on the audit report of the preceding annual financial statements of Poly Glass Fibre (M) Bhd.

**3. Seasonal or Cyclical Factors**

The fibre glasswool insulation business normally expect a fall in revenue of about 30% during the festive holiday season.

**4. Unusual Items**

There were no unusual items for the current quarter and financial period to-date.

**5. Exceptional Items**

There were no exceptional items for the current quarter and financial period-to-date.

**6. Changes in Estimates**

There were no changes in estimates in the prior interim periods and the prior years that have a material effect in the current quarter and financial period to-date.

**7. Equity Structure**

There were no issuance and repayment of debt and equity shares, shares buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial period to-date.

**8. Dividends Paid**

There was no dividend paid for the current quarter and financial period to-date.

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2019 (cont'd)**

**9. Segmental Reporting**

Financial data by business segment for the Group

	← Current Year To-date → 28 February 2019			
	Fibre glasswool and related products RM'000	Property development RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue from external customers	71,333	(371)	486	71,448
<b>Segment results</b>	9,381	(738)	798	9,441
Interest income				79
Interest expense				(1,815)
Net profit before taxation				7,705
Taxation				(1,751)
<b>Net profit after taxation</b>				<u>5,954</u>
<b>Segment assets</b>	<u>78,209</u>	<u>130,047</u>	<u>18,519</u>	<u>226,775</u>
	← Preceding Year To-date → 28 February 2018			
	Fibre glasswool and related products RM'000	Property development RM'000	Investment Holding RM'000	Consolidated RM'000
Revenue from external customers	54,019	(263)	360	54,116
<b>Segment results</b>	4,520	(738)	815	4,597
Interest income				61
Interest expense				(1,917)
Net profit before taxation				2,741
Taxation				(929)
<b>Net profit after taxation</b>				<u>1,812</u>
<b>Segment assets</b>	<u>76,648</u>	<u>132,411</u>	<u>19,273</u>	<u>228,332</u>



**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2019 (cont'd)**

**10. Valuation of Property, Plant and Equipment**

Not applicable. No valuation policy was adopted for property, plant and equipment. The Group availed the transitional provisions issued by the Malaysian Accounting Standards Board upon adoption of International Accounting Standard No 16 (Revised) to have the 1992 revalued assets of land and buildings continue to be stated at their existing carrying amounts less accumulated depreciation.

**11. Material events subsequent to the end of the period reported on not reflected in the financial statements for the said period**

There were no material events subsequent to the end of the period reported on which have not been reflected in the financial statements as at 22 April 2019.

**12. Changes in Composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial period to-date.

**13. Contingent Liabilities**

There were no changes in the contingent liabilities since the last annual balance sheet date.

**14. Related Party Transactions**

Transactions with the substantial shareholder, Equaplus Sdn Bhd: -

	RM'000
Interest payable and paid	<u>710</u>

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2019 (cont'd)**

**15. Capital Commitments**

Contractual but not provided for in the financial statements.

	RM'000
Capital commitment	
- Plant & Equipment	
Approved but not contracted for	293

**16. Profit for the Period**

This is arrived at after crediting / (charging):

	<b>Current Year Quarter 28 Feb 2019 RM'000</b>	<b>Current Year To Date 28 Feb 2019 RM'000</b>
Interest income	44	79
Interest expense	(415)	(1,815)
Depreciation and amortisation	(1,353)	(5,420)
Foreign exchange loss/ (gain) (realised and unrealised)	(180)	4
Inventories written off*	(2,304)	(2,304)

\* The inventories written off is a fire incident occurred on 30 July 2018, compensation yet to be finalised by the insurer, therefore the income has not been recognised in the income statement.

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES  
BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD  
ENDED 28 FEBRUARY 2019**

**1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date**

	Individual Quarter			Cumulative Quarters		
	Current Year Quarter 28 Feb 19 RM'000	Preceding Year Quarter 28 Feb 18 RM'000	Changes Increase/ (Decrease) %	Current Year To Date 28 Feb 19 RM'000	Preceding Year To Date 28 Feb 18 RM'000	Changes Increase/ (Decrease) %
<b><u>Revenue</u></b>						
Fibre glasswool and related products	17,801	11,193	59.04	71,333	54,019	32.05
Property development	(1,072)	96	(1,216.67)	(371)	(263)	41.06
Investment holding	216	90	140.00	486	360	35.00
	<u>16,945</u>	<u>11,379</u>	<u>48.91</u>	<u>71,448</u>	<u>54,116</u>	<u>32.03</u>
<b><u>Profit/(loss) before tax</u></b>						
Fibre glasswool and related products	369	(640)	(157.66)	8,160	3,146	159.38
Property development	(427)	(180)	137.22	(729)	(700)	4.14
Investment holding	65	73	(10.96)	274	295	(7.12)
	<u>7</u>	<u>(747)</u>	<u>185.81</u>	<u>7,705</u>	<u>2,741</u>	<u>181.10</u>

**Group**

The Group revenue for the current quarter increased by 48.91% to RM16.95 million as compared to the preceding year quarter ended 28 February 2018. The current quarter registered profit before tax of RM7,000.00 as compared to the preceding year quarter's loss before tax of RM0.75 million.

For the current financial year to-date 28 February 2019, the Group achieved revenue of RM71.45 million as compared to preceding year to-date of RM54.12 million. The Group has registered profit before tax of RM7.71 million for the current financial year to-date as compared to the preceding year to-date's profit before tax of RM2.74 million.

The better performance was mainly due to higher sales revenue achieved by its glasswool manufacturing division.

**Fibre glasswool and related products segment**

The revenue for the current quarter has increased by 59.04% to RM17.80 million as compared to the preceding year quarter ended 28 February 2018. The current quarter registered a profit before tax of RM0.37 million as compared to the preceding year quarter's loss before tax of RM0.64 million.

For the current financial year to-date 28 February 2019, the revenue achieved of RM71.33 million as compared to preceding year to-date of RM54.02 million. The profit before tax registered of RM8.16 million for the current year to-date as compared to the preceding year to-date's profit before tax of RM3.15 million.

The better performance was mainly due to higher sales revenue achieved.

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2019 (Cont'd)**

**1. Review of Performance of the Company and its Principal Subsidiaries for the current quarter and financial period to-date (Cont'd)**

**Property development segment**

The development has been suspended and delayed for a prolonged period of time. The loss before taxation was mainly due to land & building contributions.

**Investment holding segment**

The profit before taxation is mainly the rental received by its investment property.

**2. Material Change in the Profit Before Taxation ("PBT") for the quarter reported on as compared to the results of the immediate preceding quarter**

	Current Quarter 28 Feb 19 <b>RM'000</b>	Immediate Preceding Quarter 30 Nov 18 <b>RM'000</b>	Changes <b>Increase/ (Decrease)</b> %
Revenue	16,945	21,507	(21.21)
Profit/(loss) before tax	7	4,688	(99.85)

The Group recorded a profit before tax of RM7,000.00 for the current quarter ended 28 February 2019 as compared to the immediate preceding quarter profit before tax of RM4.69 million. This was mainly due to lower sales revenue achieved and RM2.3 million inventories written off on fire incident occurred on 30 July 2018. Insurance compensation is yet to be finalised by the insurer.

**3. Prospects for the Current Financial Year**

Fibre glasswool business is expected to be the major revenue contributor of the Group in the immediate and near future.

Internally, the Company will continue to focus on improving operation in order to achieve consistent output to lower production cost.

The Group is focusing on expanding its export market in line with the improvement of production output. In order to achieve that, we will intensify our efforts to work with strategic partners in targeted countries to promote our brands.

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES  
BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD  
ENDED 28 FEBRUARY 2019 (Cont'd)**

**3. Prospects for the Current Financial Year (Cont'd)**

On the local front, the property development industry is expected to be dampened by weak market sentiment. The delay of several mega projects is expected to have short term impact on domestic sales for next six to twelve months. However, long term demand for insulation is expected to increase consistently, albeit slowly, in tandem with the housing demand and increasing awareness of the importance insulation in energy efficiency.

**4. Variance of Actual Profit from Forecast Profit/Profit Guarantee**

Not Applicable.

**5. Income Tax**

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 28 Feb 19 RM'000	Preceding Year Quarter 28 Feb 18 RM'000	Current Year To Date 28 Feb 19 RM'000	Preceding Year To Date 28 Feb 18 RM'000
<b>Malaysian Taxation</b>	501	240	# 972	# 400
<b>Deferred Taxation</b>	779	529	779	529
	1,280	769	1,751	929

# The effective tax rate of the Group is lower than the statutory tax rate as the tax charge relates to tax on profits of certain subsidiaries is set-off against the unutilised capital and investment tax allowance.

**6. Profits/(Losses) on sale of unquoted investments and/or properties**

There were no profits/(losses) on sale of unquoted investments and/or properties for the current quarter and financial period to-date.

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES  
BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD  
ENDED 28 FEBRUARY 2019 (Cont'd)**

**7. Quoted Securities**

There were no purchases or disposals of quoted securities for the current quarter and financial period to-date.

**8. Status of Corporate Proposals**

Not Applicable

**9. Group Borrowings**

	As at 28 February 2019		
	Long term	Short term	Total borrowings
	RM'000	RM'000	RM'000
<b>Secured</b>			
<i>Term loans</i>	15,548	3,182	18,730
<i>Other borrowings</i>		47	47
	15,548	3,229	18,777
<b>Unsecured</b>			
<i>Bank overdrafts</i>	-	638	638
<i>Term loans</i>	1,172	341	1,513
	1,172	979	2,151
	<b>16,720</b>	<b>4,208</b>	<b>20,928</b>
	As at 28 February 2018		
	Long term	Short term	Total borrowings
	RM'000	RM'000	RM'000
<b>Secured</b>			
<i>Term loans</i>	16,439	3,150	19,589
<i>Other borrowings</i>	29	46	75
	16,468	3,196	19,664
<b>Unsecured</b>			
<i>Bank overdrafts</i>	-	1,476	1,476
<i>Term loans</i>	1,459	328	1,787
<i>Other borrowings</i>	-	2,965	2,965
	1,459	4,769	6,228
	<b>17,927</b>	<b>7,965</b>	<b>25,892</b>

**POLY GLASS FIBRE (M) BHD (Company No. 42138-X)**  
**(Incorporated in Malaysia)**  
**AND ITS SUBSIDIARIES**

**ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES  
BERHAD'S ("BURSA MALAYSIA") LISTING REQUIREMENTS FOR THE PERIOD  
ENDED 28 FEBRUARY 2019 (Cont'd)**

**9. Group Borrowings (Cont'd)**

Details of the borrowings denominated in each currency:

	<b>As at 28 Feb 2019</b>	<b>As at 28 Feb 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysian Ringgit	10,332	15,954
United States Dollar	10,596	9,938
	20,928	25,892
 Advance from a shareholder, unsecured	 8,817	 11,167

**10. Dividend**

The Board of Directors does not recommend any dividend for the period ended 28 February 2019.

**11. Earnings Per Share**

Basic Earnings Per Share - The basic earnings per ordinary share has been calculated by dividing the Group's net profit for the current year to date of RM5,954,465 (2018: net profit RM1,812,062) by the weighted average number of ordinary shares of the Company in issue during the current financial year to date of 159,974,948 shares (2018: 159,974,948).

By Order of the Board

Ch'ng Lay Hoon  
Company Secretary

Dated this 29 April 2019