



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2021

	Individual quarter ended		Cumulative quarter ended	
	Current year quarter	Preceding year corresponding quarter	Current year quarter	Preceding year corresponding quarter
	31.03.2021 RM'000	31.03.2020 RM'000	31.03.2021 RM'000	31.03.2020 RM'000
Revenue	216,660	142,226	695,920	546,179
Cost of sales	(186,482)	(127,397)	(597,374)	(486,721)
Gross profit	30,178	14,829	98,546	59,458
Other income	823	3,824	12,042	6,452
Selling and marketing expenses	(6,026)	(4,160)	(19,149)	(16,082)
Administrative expenses	(9,479)	(7,448)	(22,596)	(18,871)
Other expenses	(294)	(2,562)	(5,168)	(7,066)
Operating profit	15,202	4,483	63,675	23,891
Finance costs	(679)	(973)	(2,127)	(3,127)
Profit before taxation	14,523	3,510	61,548	20,764
Taxation	(2,962)	(902)	(10,324)	(4,382)
Profit for the period	11,561	2,608	51,224	16,382
Attributable to :				
Owners of the parent	11,561	2,608	51,224	16,382
Non-controlling interest	-	-	-	-
Profit for the period	11,561	2,608	51,224	16,382
Earnings per share (sen) :				
(a) Basic	11.41	2.57 *	50.54	16.16 *
(b) Diluted	11.41	2.57 *	50.54	16.16 *
Weighted average number of ordinary shares ('000)	101,354.3	101,391.0	101,354.3	101,391.0
Profit for the period	11,561	2,608	51,224	16,382
Other comprehensive income:				
Foreign currency translation	7,980	11,215	(8,988)	8,673
Total comprehensive income for the period	19,541	13,823	42,236	25,055
Total comprehensive income attributable to :				
Owners of the parent	19,541	13,823	42,236	25,055
Non-controlling interest	-	-	-	-
Total comprehensive income for the period	19,541	13,823	42,236	25,055

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

* For comparative purpose, the EPS for the quarter and year to date ended 31 March 2020 has been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 16 March 2021.



LATITUDE TREE HOLDINGS BERHAD
(Registration No.: 199401017151 (302829-W))

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2021

	Unaudited	Audited
	31.03.2021	30.06.2020
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	245,624	246,891
Investment properties	65,452	65,508
Right-of-use assets	35,204	37,661
Other investments	81	81
Investment securities	10,052	10,052
Deferred tax assets	1,286	1,332
	<u>357,699</u>	<u>361,525</u>
Current assets		
Inventories	215,109	194,867
Trade and other receivables	87,210	71,593
Prepayments	1,574	1,199
Tax recoverable	737	1,792
Cash and bank balances	177,818	126,206
Investment securities	47,449	42,974
	<u>529,897</u>	<u>438,631</u>
TOTAL ASSETS	<u><u>887,596</u></u>	<u><u>800,156</u></u>



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2021 (CONT'D)

	Unaudited	Audited
	31.03.2021	30.06.2020
	RM'000	RM'000
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	98,433	98,433
Treasury shares	(155)	(5,798)
Retained earnings	450,690	407,967
Foreign currency translation reserve	68,411	77,399
	<u>617,379</u>	<u>578,001</u>
Non-controlling interest	-	-
Total equity	<u>617,379</u>	<u>578,001</u>
Non-current liabilities		
Loans and borrowings	22,995	9,293
Lease liabilities	4,938	5,896
Provision for severance allowance	31	36
Retirement benefit obligation	193	202
Derivatives	-	762
Deferred tax liabilities	3,572	3,305
	<u>31,729</u>	<u>19,494</u>
Current liabilities		
Trade and other payables	98,062	78,398
Loans and borrowings	111,526	95,595
Lease liabilities	977	956
Tax payable	27,854	27,322
Derivatives	69	390
	<u>238,488</u>	<u>202,661</u>
Total liabilities	<u>270,217</u>	<u>222,155</u>
TOTAL EQUITY AND LIABILITIES	<u>887,596</u>	<u>800,156</u>
Net assets per share attributable to owners of the parent (RM)	<u>3.18</u>	<u>3.00</u> *

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

* For comparative purpose, the Net asset per share attributable to the owners of the Company as at 30 June 2020 has been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 16 March 2021.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2021

	Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000	Non-distributable Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 July 2019 (as previously stated)	98,433	(870)	69,024	397,848	564,435	-	564,435
Effect of adoption of MFRS 16	-	-	-	(1,009)	(1,009)	-	(1,009)
At 1 July 2019 (restated)	98,433	(870)	69,024	396,839	563,426	-	563,426
Total comprehensive income for the period	-	-	8,673	16,382	25,055	-	25,055
Dividend paid	-	-	-	(2,860)	(2,860)	-	(2,860)
Purchase of treasury shares	-	(4,928)	-	-	(4,928)	-	(4,928)
At 31 March 2020	98,433	(5,798)	77,697	410,361	580,693	-	580,693
At 1 July 2020	98,433	(5,798)	77,399	407,967	578,001	-	578,001
Total comprehensive income for the period	-	-	(8,988)	51,224	42,236	-	42,236
Dividend paid	-	-	-	(2,858)	(2,858)	-	(2,858)
Share dividend	-	5,643	-	(5,643)	-	-	-
At 31 March 2021	98,433	(155)	68,411	450,690	617,379	-	617,379

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2021**

	31.03.2021 RM'000	31.03.2020 RM'000		
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	61,548	20,764		
Adjustments for:				
Write-back of allowance for expected credit losses of trade receivables	(179)	-		
Depreciation and amortisation	14,777	13,743		
Property, plant and equipment written off	57	-		
Allowance for expected credit losses on trade receivables	-	2,511		
Fair value (gain)/loss on derivatives	(1,083)	1,342		
Fair value gain on investment securities	(197)	(12)		
Net unrealised foreign exchange loss/(gain)	746	(149)		
Gain on disposal of property, plant and equipment	(103)	(8)		
Investment income from investment securities	(611)	(713)		
Non cash items	51	1		
Net financing costs	320	760		
Operating profit before working capital changes	75,326	38,239		
Changes in working capital				
Net change in current assets	(42,862)	14,065		
Net change in current liabilities	21,388	(3,364)		
Net income taxes paid	(7,587)	(2,871)		
Net financing costs paid	(344)	(776)		
Net cash flows from operating activities	45,921	45,293		
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income from investment securities	611	713		
Purchase of property, plant and equipment	(17,269)	(20,672)		
Purchase of investment properties	(316)	(30,585)		
Proceeds from disposal of property, plant and equipment	163	51		
Decrease/(increase) in deposits placed with licensed banks	4,725	(2,928)		
(Purchase of)/proceeds from investment securities	(4,615)	3,776		
Net cash flows used in investing activities	(16,701)	(49,645)		
CASH FLOWS FROM FINANCING ACTIVITIES				
Net drawdown/(repayment) of bank borrowings	32,346	(4,174)		
Repayments for principal portion of lease liabilities	(832)	-		
Dividends paid on ordinary shares	(2,858)	(2,860)		
Movement of deposits placed as securities for bank borrowings and guarantees	317	(1,529)		
Treasury shares acquired	-	(4,928)		
Net cash flows from/(used in) financing activities	28,973	(13,491)		
NET CHANGE IN CASH AND CASH EQUIVALENTS	58,193	(17,843)		
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	101,426	137,354		
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(1,539)	(1,570)		
CASH AND CASH EQUIVALENTS AT END OF PERIOD	158,080	117,941		
Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following balance sheet amounts :				
Cash and bank balances	133,464	75,634		
Term deposits	44,354	68,977		
	177,818	144,611		
Less:				
Deposits pledged as securities for bank borrowings and guarantees	(15,499)	(15,734)		
Deposits with licensed banks with tenure more than three months	(4,239)	(10,936)		
	158,080	117,941		
Reconciliation of liabilities arising from financing activities:				
	Carrying amount as at 1 July 2020 RM'000	Cash flows RM'000	Effects of foreign exchange RM'000	Carrying amount as at 31 March 2021 RM'000
Loans and borrowings	104,888	32,346	(2,713)	134,521
Lease liabilities	6,852	(832)	(105)	5,915
Total	111,740	31,514	(2,818)	140,436

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.



LATITUDE TREE HOLDINGS BERHAD

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NOTES TO THE QUARTERLY REPORT – 31 MARCH 2021

A1. BASIS OF PREPARATION

The interim financial report is unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Chapter 9 paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the year ended 30 June 2020.

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations that are effective for the financial periods beginning on 1 July 2020.

The adoption of relevant MFRSs, Amendment to MFRSs and IC Interpretations did not have any material effect on the financial performance or position of the Group.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The latest audited financial statements for the financial year ended 30 June 2020 were not subject to any qualification.

A3. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence for the current quarter and financial period ended 31 March 2021.

A4. VALUATION OF PROPERTY, PLANT & EQUIPMENT

There was no revaluation of properties of the Group during the financial period ended 31 March 2021.



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A5. TAXATION

The taxation of the Group for the financial period under review was as follows:

	Individual Quarter		Cumulative Quarter	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian	1,114	694	2,600	1,996
Overseas	1,964	361	7,436	2,066
Total	3,078	1,055	10,036	4,062
Deferred tax expense				
Malaysian	(116)	(153)	276	320
Overseas	-	-	12	-
Total	(116)	(153)	288	320
	2,962	902	10,324	4,382

A6. CHANGES IN THE COMPOSITION OF THE GROUP

There was no change to the composition of the Group in the quarter ended 31 March 2021.

A7. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current quarter that would have impact on the result that had been reflected in the quarter under review except for on 10 May 2021, Latitude Tree Furniture Sdn. Bhd. and Rhong Khen Timbers Sdn. Bhd., both wholly-owned subsidiaries of the Company had terminated the Memorandum of Understanding (“MOU”) entered on 17 July 2020 with Advancecon Solar Sdn. Bhd. to install solar system under the Net Energy Metering scheme on the rooftop of our premises.

A8. CHANGES IN EQUITY AND LONG TERM DEBTS

There were no changes in equity and long term debts for the current quarter ended 31 March 2021, except for on 29 January 2021, the Company distributed 1,905,000 treasury shares as dividend to shareholders, bringing the total number of treasury shares held to 52,500 as at 31 March 2021.



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A9. BORROWINGS AND DEBTS SECURITIES

Details of the Group's borrowings were as follows:

	As at 31 March 2021					
	Long term		Short term		Total borrowings	
	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000
Secured						
Term loan (USD)	14,643	-	1,799	-	16,442	-
Term loan (RM)	-	7,201	-	762	-	7,963
Term loan (THB)	1,151	-	442	-	1,593	-
Bankers' acceptances (RM)	-	-	-	713	-	713
Bankers' acceptances (USD)	-	-	2,172	-	2,172	-
Revolving credit (USD)	-	-	2,072	-	2,072	-
Unsecured						
Trust receipts (USD)	-	-	103,566	-	103,566	-
Total	15,794	7,201	110,051	1,475	125,845	8,676

	As at 30 June 2020					
	Long term		Short term		Total borrowings	
	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000
Secured						
Term loan (USD)	-	-	856	-	856	-
Term loan (RM)	-	7,780	-	809	-	8,589
Term loan (THB)	1,513	-	463	-	1,976	-



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	As at 30 June 2020					
	Long term		Short term		Total borrowings	
	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000	RM equivalents of amount denominated in foreign currency (RM'000)	RM'000
Bankers' acceptances (RM)	-	-	-	1,243	-	1,243
Revolving credit (USD)	-	-	4,280	-	4,280	-
Unsecured						
Trust receipts (USD)	-	-	87,944	-	87,944	-
Total	1,513	7,780	93,543	2,052	95,056	9,832

A10. FINANCIAL INSTRUMENTS - DERIVATIVES

Details of the Group's outstanding derivative financial instruments were as follows:

	As at 31 March 2021			As at 30 June 2020		
	Contract/ Notional amount	Assets	Liabilities	Contract/ Notional amount	Assets	Liabilities
Non-hedging derivatives:						
Current						
Forward currency contracts	45,929	-	(69)	31,423	-	(388)
Interest rate swap	-	-	-	856	-	(2)
			(69)			(390)
Non-current						
Forward currency contracts	-	-	-	16,790	-	(762)
			-			(762)
Total non-hedging derivatives			(69)			(1,152)

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's bank balance denominated in United States Dollar ("USD") for which Group's commitments existed at the reporting date,



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extending to February 2022 and March 2022. During the financial period under review, the Group recognised a gain of RM1,083,406 arising from fair value changes of forward currency contracts. The fair value changes are attributable to changes in foreign exchange closing and forward rate.

A11. CHANGES IN MATERIAL LITIGATION

There was no material litigation or any pending material litigation since the date of the last annual statement of financial position until 27 May 2021.

A12. SEGMENTAL INFORMATION

The Group's primary business segment, including its overseas subsidiaries is that of the manufacture and sale of wooden furniture and components.

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

Geographical segments

The Group's business segment operates principally in Malaysia, Vietnam and Thailand.

In presenting information on the basis of geographical segments, segment revenue and profit before taxation, segment assets and liabilities were based on the geographical location of assets.

Results for the Individual Quarter ended 31 March

RM'000	Malaysia		Vietnam		Thailand		Others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Total revenue	52,863	34,050	163,448	107,986	6,478	5,753	14,491	4,742	237,280	152,531
Inter-segment revenue	(5,308)	(5,070)	-	(149)	(1,788)	(984)	(13,524)	(4,102)	(20,620)	(10,305)
External revenue	47,555	28,980	163,448	107,837	4,690	4,769	967	640	216,660	142,226
Profit/(loss) before taxation	2,472	1,734	12,098	2,585	174	(390)	(221)	(419)	14,523	3,510
Segment assets	256,390	235,789	484,330	431,516	35,661	35,983	609,045	584,796	1,385,426	1,288,084
Segment liabilities	51,883	29,906	217,043	189,096	14,486	15,278	255,668	251,886	539,080	486,166



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NOTES TO THE QUARTERLY REPORT – 31 MARCH 2021

Results for the Cumulative Quarter ended 31 March

RM'000	Malaysia		Vietnam		Thailand		Others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Total revenue	144,953	118,131	553,829	427,444	18,888	17,052	27,708	26,868	745,378	589,495
Inter-segment revenue	(17,614)	(15,932)	(273)	(385)	(6,900)	(3,409)	(24,671)	(23,590)	(49,458)	(43,316)
External revenue	127,339	102,199	553,556	427,059	11,988	13,643	3,037	3,278	695,920	546,179
Profit/(loss) before taxation	8,577	6,608	52,309	13,774	437	(516)	225	898	61,548	20,764
Segment assets	256,390	235,789	484,330	431,516	35,661	35,983	609,045	584,796	1,385,426	1,288,084
Segment liabilities	51,883	29,906	217,043	189,096	14,486	15,278	255,668	251,886	539,080	486,166

The following items are deducted from segment assets/liabilities to arrive at total assets/liabilities reported in the consolidated statement of financial position:

	31.03.2021	31.03.2020
	RM'000	RM'000
Inter-segment assets	<u>497,830</u>	<u>478,191</u>
Inter-segment liabilities	<u>268,863</u>	<u>256,966</u>

ADDITIONAL INFORMATION REQUIRED BY MAIN MARKET LISTING REQUIREMENT (APPENDIX 9B)

B1. MATERIAL CHANGE IN PROFIT BEFORE TAXATION COMPARED TO IMMEDIATE PRECEDING QUARTER

RM' Million	Individual quarter		Changes (%)
	31.03.2021	31.12.2020	
Revenue	216.7	244.3	-11.3%
Gross profit	30.2	38.1	-20.7%
Profit before taxation	14.5	30.3	-52.1%
Profit after taxation	11.6	26.6	-56.4%



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NOTES TO THE QUARTERLY REPORT – 31 MARCH 2021

Revenue

For the quarter under review, the Group's revenue declined 11.3% to RM216.7 million as compared to the preceding quarter of RM244.3 million. The decrease was mainly attributable to lower sales recorded by furniture plants in Vietnam due to lower production output as the quarter under review has lesser production days due to festive holidays.

Gross profit

The Group has recorded lower gross profit from RM38.1 million in preceding quarter compared to RM30.2 million in current quarter, representing a decrease of 20.7%. The decrease in gross profit was mainly attributable to the followings:

- in line with the decrease in revenue; and
- higher operating cost due to closure of our plants for Chinese New Year celebration during the quarter under review.

Profit before taxation ("PBT")

The Group has recorded a decrease in PBT from RM30.3 million in preceding quarter to RM14.5 million in current quarter, representing a decrease of 52.1%. The substantial decrease in PBT was mainly attributable to the followings:

- in line with the decrease in gross profit; and
- absence of final insurance compensation in current quarter compared to RM7.8 million received by a furniture plant in Vietnam in preceding quarter for a fire incident occurred in FY2018.

Profit after taxation ("PAT")

The Group recorded PAT of RM11.6 million in current quarter, representing a decrease of 56.4% from RM26.6 million in preceding quarter was in line with the decrease in PBT.

B2. REVIEW OF PERFORMANCE

RM' Million	Cumulative quarter		Changes (%)
	31.03.2021	31.03.2020	
Revenue	695.9	546.2	+27.4%
Gross profit	98.5	59.5	+65.5%
Profit before taxation	61.5	20.8	>+100.0%
Profit after taxation	51.2	16.4	>+100.0%



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Revenue

The Group recorded revenue of RM695.9 million for the nine months financial period ended 31 March 2021 (“FP2021”), representing an increase of 27.4% as compared to the nine months financial period ended 31 March 2020 (“FP2020”) of RM546.2 million. The substantial increase was mainly attributable to the followings:

- higher sales recorded by furniture plants due to strong demand for furniture in US in FP2021 compared to FP2020;
- higher local sales recorded by panel board lamination plant due to pent up demand from local market in FP2021 compared to FP2020; offset with
- weakening of US Dollar (“USD”) against Ringgit Malaysia (“RM”) by 1.1%.

Gross profit

Gross profit of the Group amounted to RM98.5 million in FP2021, representing an increase of 65.5% from RM59.5 million in FP2020. The substantial increase in gross profit was mainly attributable to the followings:

- in line with the increase in revenue;
- furniture and Thailand sawmill plants recorded higher average selling prices; and
- lower production costs due to higher production output across all divisions.

Profit before taxation (“PBT”)

PBT of the Group amounted to RM61.5 million in FP2021, representing an increase of more than 100.0% from RM20.8 million in FP2020 was in line with the substantial increase in gross profit.

Profit after taxation (“PAT”)

PAT of the Group amounted to RM51.2 million in FP2021, representing an increase of more than 100.0% from RM16.4 million in FP2020 was in line with increase in PBT offset with current period tax provision.



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NOTES TO THE QUARTERLY REPORT – 31 MARCH 2021

B3. PROFIT FOR THE PERIOD

Profit for the period is arrived at after (crediting)/charging:

	Individual quarter ended		Cumulative quarter ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
Interest income	(576)	(909)	(1,806)	(2,367)
Interest expense	679	973	2,126	3,127
Investment income from investment securities	(156)	(342)	(611)	(713)
Depreciation and amortization	4,939	4,379	14,777	13,743
Gain on disposal of property, plant and equipment	(103)	-	(103)	(8)
Property, plant and equipment written off	48	-	57	-
Write-back of allowance for expected credit losses of trade receivables	(179)	-	(179)	-
Allowance for expected credit losses on trade receivables	-	1,258	-	2,511
Unrealised foreign exchange (gain)/ loss	(1,190)	(1,200)	746	(149)
Realised foreign exchange loss/(gain)	342	(68)	1,463	441
Fair value loss/(gain) on derivatives	215	1,494	(1,083)	1,342
Fair value loss/(gain) on investment securities	34	230	(197)	(12)
Insurance compensation	54	(2,687)	(7,744)	(2,687)



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NOTES TO THE QUARTERLY REPORT – 31 MARCH 2021

B4. TRADE AND OTHER RECEIVABLES

	31.03.2021	30.06.2020
	RM'000	RM'000
Trade receivables		
Third parties	71,707	60,337
Less: Allowance for impairment	(5,274)	(5,632)
Trade receivables, net	<u>66,433</u>	<u>54,705</u>
Other receivables		
Deposits	1,080	1,097
Staff loans	142	182
Goods and services tax receivable	-	513
Sundry receivables	19,840	15,394
	<u>21,062</u>	<u>17,186</u>
Less: Allowance for impairment-sundry receivables	(285)	(298)
Other receivables, net	<u>20,777</u>	<u>16,888</u>
Total trade and other receivables	<u>87,210</u>	<u>71,593</u>

The ageing analysis of the Group's trade receivables is as follows:

	31.03.2021	30.06.2020
	RM'000	RM'000
Neither past due nor impaired	62,154	49,238
Past due not impaired:		
1 - 30 days	3,959	3,335
31 - 60 days	320	112
61 - 90 days	-	1,980
> 91 days	-	40
Impaired	5,274	5,632
Gross trade receivables	<u>71,707</u>	<u>60,337</u>

Trade receivables

Trade receivables are non-interest bearing and are generally on 7 to 90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Other receivables

Included in sundry receivables of the Group are:

- i) Import duty and other direct taxes receivable in foreign subsidiaries of RM10,834,000 (30.06.2020: RM7,831,000); and
- ii) Advance to suppliers of RM5,318,000 (30.06.2020: RM3,819,000) that mainly relate to payments in advance for raw materials purchased.



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NOTES TO THE QUARTERLY REPORT – 31 MARCH 2021

B5. CORPORATE PROPOSAL

There were no corporate proposals announced but not completed as at 27 May 2021.

B6. SEASONAL OR CYCLICAL FACTORS

The Group operation is seasonal in nature whereby the turnover for the first three months of a calendar year is slightly lower due to long festive holidays which fall on the first quarter of the calendar year and also the lower demand in the United States which normally slows down after Christmas and New Year.

B7. CURRENT YEAR PROSPECT

The sudden surge on the demand of furniture was due to pandemic where most are working or attending school from home. The global travel restriction also contributed to the increase in sales of furniture as many will upgrade their furniture to have better and comfortable ambience at home for dining, working and studying. However, as pandemic situation has not abated, the continuous imposition of the Movement Control Order by Malaysia government is expected to cause some disruption to our Group's business activities in Malaysia and resulted higher operating expenses. We hope with the vaccination programs across the globe would provide gradual recovery of global economy.

The operating environment in times like this, especially the global economic uncertainties, the Group will remain resilient and vigilant in addressing these uncertainties in all levels of decision making. The Group is continuing with its cost reduction strategies, enhancing production efficiency, development of new products and new designs in the "new normal" environment and effective cost management across all functions.

Barring any unforeseen circumstances, the Board believes that the Group will remain profitable for the financial year ending 30 June 2021.

B8. VARIANCE BETWEEN ACTUAL RESULT AND FORECAST PROFIT OR PROFIT GUARANTEE

The Group did not issue any profit forecast or profit guarantee for the quarter ended 31 March 2021.

B9. DIVIDEND

The Company had on 12 May 2021 paid a first interim single tier dividend of 5.0 sen per ordinary share for the financial year ending 30 June 2021.

The Board of Directors did not recommend any interim dividend for the current quarter ended 31 March 2021.



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B10. EARNINGS PER SHARE (“EPS”)

Basic EPS	Individual Quarter		Cumulative Quarter	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Net profit attributable to owners the parent (RM'000)	11,561	2,608	51,224	16,382
Weighted average number of shares ('000)	101,354.3	101,391.0	101,354.3	101,391.0
Basic EPS (sen)	11.41	2.57*	50.54	16.16*

* For comparative purpose, the EPS for the quarter and year to date ended 31 March 2020 has been adjusted to reflect the bonus issue of 1 bonus share for every 1 existing ordinary share which was completed on 16 March 2021.

B11. CAPITAL COMMITMENTS

Capital commitments for property, plant and equipment not provided for in the financial statements as at 31 March 2021 were as follows:

	RM'000
Authorised by Directors and contracted	8,521
Authorised by Directors and not contracted	-
	8,521