

Condensed Unaudited Consolidated Statement of Financial Position

As at 30 April 2017

	As at <u>30.04.2017</u> RM'000 (Unaudited)	As at <u>31.01.2017</u> RM'000 (Audited)
ASSETS		
Non-current asset		
Property, plant and equipment	124,735	123,656
Total non-current asset	<u>124,735</u>	<u>123,656</u>
Current assets		
Inventories	41,808	43,950
Trade receivables	73,343	50,858
Other receivables, deposits and prepayments	8,500	5,795
Tax recoverable	26	52
Derivative financial assets	344	-
Cash and cash equivalents	12,781	23,408
Total current assets	<u>136,802</u>	<u>124,063</u>
TOTAL ASSETS	<u><u>261,537</u></u>	<u><u>247,719</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the company		
Share capital	139,452	139,452
Reserves	76,797	66,650
Total equity attributable to owners of the company	<u>216,249</u>	<u>206,102</u>
Non-current liability		
Deferred tax liabilities	1,120	1,166
Total non-current liability	<u>1,120</u>	<u>1,166</u>
Current liabilities		
Trade payables	21,127	30,599
Other payables and accruals	13,169	9,560
Loan and borrowings	9,872	-
Derivatives financial liabilities	-	292
Total current liabilities	<u>44,168</u>	<u>40,451</u>
Total liabilities	<u>45,288</u>	<u>41,617</u>
TOTAL EQUITY AND LIABILITIES	<u><u>261,537</u></u>	<u><u>247,719</u></u>
Net assets per share attributable to owners of the company (sen)		
	39	37

The Condensed Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2017.

**Condensed Unaudited Consolidated Statement of Profit or Loss and
Other Comprehensive Income For the First Quarter Ended 30 APRIL 2017**

	Current Quarter Ended 30.04.2017 RM'000 (Unaudited)	Corresponding Quarter Ended 30.04.2016 RM'000 (Unaudited)	Current YTD Ended 30.04.2017 RM'000 (Unaudited)	Corresponding YTD Ended 30.04.2016 RM'000 (Unaudited)
Revenue	93,702	52,302	93,702	52,302
Cost of sales	(78,729)	(44,497)	(78,729)	(44,497)
Gross profit	14,973	7,805	14,973	7,805
Other income	698	1,001	698	1,001
Selling and marketing expenses	(1,734)	(935)	(1,734)	(935)
Administrative expenses	(3,800)	(17,363)	(3,800)	(17,363)
Operating profit/(loss)	10,137	(9,492)	10,137	(9,492)
Finance costs	(37)	(7)	(37)	(7)
Profit/(loss) before tax	10,100	(9,499)	10,100	(9,499)
Taxation	46	57	46	57
Profit/(loss) for the period	10,146	(9,442)	10,146	(9,442)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	10,146	(9,442)	10,146	(9,442)
Profit/(loss) attributable to: Owners of the company	10,146	(9,442)	10,146	(9,442)
Earnings/(loss) per ordinary share attributable to owners of the company (sen)				
- Basic	1.82	(1.69)	1.82	(1.69)
- Diluted	1.75	(1.63)	1.75	(1.63)

The Condensed Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2017.

Condensed Unaudited Consolidated Statement of Changes in Equity For the First Quarter Ended 30 April 2017

← Attributable to owners of the company →

	Share Capital RM'000	Share Premium RM'000	Share-based Option Reserve RM'000	Other Reserve RM'000	Revaluation Reserve RM'000	Distributable Retained Earnings RM'000	Total Equity RM'000
<u>3 Months Ended 30 April 2017</u>							
At 1 February 2017	139,452	-	3,042	-	9,373	54,236	206,103
Profit net of tax and total comprehensive income for the financial period	-	-	-	-	-	10,146	10,146
Realisation of revaluation reserve	-	-	-	-	(140)	140	-
At 30 April 2017	139,452	-	3,042	-	9,233	64,522	216,249
<u>3 Months Ended 30 April 2016</u>							
At 1 February 2016	55,879	72,254	3,042	11,319	10,054	28,195	180,743
Loss net of tax and total comprehensive income for the financial period	-	-	-	-	-	(9,442)	(9,442)
Realisation of revaluation reserve	-	-	-	-	(170)	170	-
At 30 April 2016	55,879	72,254	3,042	11,319	9,884	18,923	171,301

Note 26

The Condensed Unaudited Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2017.

**Condensed Unaudited Consolidated Statement of Cash Flows
For The Period Ended 30 April 2017**

	Current YTD Ended <u>30.04.2017</u> RM'000 (Unaudited)	Corresponding YTD Ended <u>30.04.2016</u> RM'000 (Unaudited)
Cash flows from operating activities		
Profit/(loss) before taxation	10,100	(9,499)
Adjustments for:		
Non-cash items	2,268	1,742
Property, plant and equipment written off	503	5,094
Inventory written off	-	7,724
Interest expense	37	6
Interest income	(62)	(264)
Operating profit before changes in working capital	<u>12,846</u>	<u>4,803</u>
Changes in working capital:		
Inventories	2,143	(3,446)
Receivables	(25,192)	775
Payables	(5,863)	2,941
Bill payables	9,872	-
Net cash flows (used in)/generated from operations	<u>(6,194)</u>	<u>5,073</u>
Income tax paid	(13)	(24)
Income tax refund	41	-
Interest received	62	264
Interest paid	(37)	(6)
Net cash flow (used in)/generated from operating activities	<u>(6,141)</u>	<u>5,307</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,486)	(13,728)
Net cash flows used in investing activities	<u>(4,486)</u>	<u>(13,728)</u>
Net cash flows from financing activities		
	-	-
Net changes in cash and cash equivalents	(10,627)	(8,421)
Cash and cash equivalents at beginning of the financial year	23,408	47,888
Cash and cash equivalents at end of the financial year	<u><u>12,781</u></u>	<u><u>39,467</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	6,656	20,585
Fixed and short term deposits placed with licensed banks	6,125	18,882
	<u><u>12,781</u></u>	<u><u>39,467</u></u>

The Condensed Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2017.

Notes to the unaudited interim financial report

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berthed (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2017. These interim financial statements contain selected explanatory notes which provide explanations of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group.

The significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 31 January 2017. The Group have adopted the following amendments/improvements to MFRSs that are mandatory for the current financial year.

Amendments/Improvements to MFRSs

MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 7	Financial Instruments: Disclosures
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interest in Other Entities
MFRS 101	Presentation of Financial Statements
MFRS 116	Property, Plant and Equipment
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
MFRS 138	Intangible Assets
MFRS 141	Agriculture

The abovementioned adoptions did not have any significant effect on the financial statements of the Group, and did not result in significant changes to the Group’s existing accounting policies.

2. Audit qualifications

The auditors’ reports on the financial statements of the Group for the financial year ended 31 January 2017 were not subject to any qualification.

3. Seasonal or cyclical factors

The Group’s operations were not affected by seasonal or cyclical factors.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year to date because of their nature, size, or incidence.

5. Changes in estimates

There were no significant changes in financial estimates reported in prior years that would materially affect the current year report.

6. Debts and equity securities

There were no issuance and repayment of debts and equity securities, share buy-backs, shares cancellations, shares held as treasury shares and resale of treasury shares for the current financial year.

7. Operating segments

The Group's operating segments for the 3 months period ended 30 April 2017 are as follows:

	Manufacturing RM'000	Investment Holding RM'000	Others RM'000	Inter- Segment RM'000	Total RM'000
Revenue					
Revenue from					
external customers	90,613	-	3,089	-	93,702
Inter segment sales	2,875	300	-	(3,175)	-
Total revenue	93,488	300	3,089	(3,175)	93,702
Results					
Segment profit/(loss)	13,787	211	(517)	-	13,481
Interest income					62
Interest expense					(37)
Depreciation					(2,904)
Property, plant and equipment written off					(502)
Profit before tax					10,100
Taxation					46
Net profit for the period					10,146

7. Operating segments (Continued)

The Group's operating segments for the 3 months period ended 30 April 2016 are as follows:

	Manufacturing RM'000	Investment Holding RM'000	Others RM'000	Inter- Segment RM'000	Total RM'000
Revenue					
Revenue from external customers	45,754	-	6,548	-	52,302
Inter segment sales	6,022	-	-	(6,022)	-
Total revenue	<u>51,776</u>	-	6,548	<u>(6,022)</u>	<u>52,302</u>
Results					
Segment profit /(loss)	4,915	(168)	95	-	4,842
Interest income					264
Interest expense					(6)
Depreciation					(1,781)
Inventory written off					(7,724)
Property, plant and equipment written off					<u>(5,094)</u>
Loss before tax					(9,499)
Taxation					<u>57</u>
Net loss for the period					<u><u>(9,442)</u></u>

8. Property, plant and equipment

Property, plant and equipment are stated at valuation/cost less accumulated depreciation and impairment losses. During the current period, plant & machinery, factory buildings and lands are carried at valuation less impairment.

9. Material Events

There were no material events during the current financial year-to-date that may materially impact the financial results of the current financial period.

10. Changes in composition of the Group

There were no changes in the composition of the Group during the current financial year to-date.

11. Contingent assets and contingent liabilities

There were no contingent assets and liabilities since the last financial year.

12. Capital Commitments

As at 30 April 2017, the Group was not aware of any material commitments contracted or known to be contracted by the Group, which upon becoming enforceable may have a material impact on the profits or net assets of the Group:

	YTD Ended 30.04.2017 RM'000
Property, plant and equipment	
- approved and contracted for	3,208
- approved but not contracted for	29,500
	<u>32,708</u>

The capital commitments were in relation to the construction of a new production plant consisting of 8 production lines.

13. Review of performance

	1st Quarter Ended		
	30.04.2017 (1QYE18) RM'000	30.04.2016 (1QYE17) RM'000	Variance %
Revenue	93,702	52,302	79%
Cost of sales	<u>(78,729)</u>	<u>(44,497)</u>	77%
Gross profit	<u>14,973</u>	<u>7,805</u>	
Gross profit margin	16%	15%	
Profit/(loss) before tax (PBT)	10,100	(9,499)	
Add: Loss due to fire			
Property, plant and equipment written off	-	5,094	
Inventory written off	-	7,724	
	<u>10,100</u>	<u>3,319</u>	204%
PBT margin	11%	6%	

In this quarter, the Group registered a net profit of RM10.1 million as compared to RM3.3 million in 1QYE17. The performance was significantly improved mainly due to the performance in 1QYE17 which was badly affected by the fire outbreak incurred in March 2016. A total loss of RM12.8 million was incurred in 1QYE17 in respect of written off of property, plant and equipment and inventory. The fire outbreak had slow down the operations and hence, lower revenue and profit were generated in 1QYE17.

14. Variation of results against preceding quarter

	Quarter Ended		
	30.04.2017 (1QYE18) RM'000	31.01.2017 (4QYE17) RM'000	Variance %
Revenue	93,702	72,745	29%
Cost of sales	(78,729)	(61,113)	29%
Gross profit	14,973	11,632	
Gross profit margin	16%	16%	
Profit before tax (PBT)	10,100	8,141	
PBT margin	11%	11%	

The Group registered sales revenue of RM 93.7 million this quarter which was 29% higher than 4QYE17. The high revenue was contributed by higher sales and increase in average selling price following the increase in raw material price. The Group achieved a gross profit margin and net profit margin of 16% and 11% respectively, which was comparable to previous quarter.

15. Current year prospects

Looking forward, market conditions remain challenging. Volatility in raw material prices continue to have a cooling effect on market conditions and demand. Substantial increases in the price of natural and synthetic rubber during the first quarter of the year was followed by a similarly substantial decline in prices during the second quarter. The market is still looking for some indication of stability in raw material prices. Other challenges include the strengthening of the Malaysian Ringgit against the US Dollar, which will require adjustments to current market prices.

The Group's outlook remains consistent in our belief that natural and synthetic specialty examination glove demand will remain robust. While the segment cannot be isolated from forces affecting wider market conditions, the Group still believes there are additional opportunities and rewards in strengthening our focus on the segment.

16. Profit forecast or profit guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

17. Taxation

	3 months Ended 30.04.2017 RM'000	YTD Ended 31.01.2017 RM'000
Deferred taxation	46	228
Taxation	-	(34)
	<u>46</u>	<u>194</u>

18. Landed properties

There was no disposal of any landed properties for the current financial year.

19. Profit before taxation

This was arrive at after crediting/(charging):

	3 months ended 30.04.2017 RM'000	3 months ended 30.04.2016 RM'000	YTD ended 30.04.2017 RM'000	YTD ended 30.04.2016 RM'000
Interest income	62	264	62	264
Interest expense	(37)	(7)	(37)	(7)
Depreciation	(2,904)	(1,781)	(2,904)	(1,781)
(Loss)/Gain on Foreign Exchange:				
- realised	(214)	(2,474)	(214)	(2,474)
- unrealised	(702)	619	(702)	619
Fair value gain on derivatives	636	40	636	40
Plant and equipment written off	(502)	(5,094)	(502)	(5,094)
Inventory written off	-	(7,724)	-	(7,724)

Save as above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements were not applicable.

20. Quoted investment

There were no purchases or sales of quoted securities for the current financial year.

21. Status of corporate proposal announced

There was no corporate proposal announced since the last financial year.

22. Borrowings

The Group have the following borrowings as at 30 April 2017:

	YTD Ended 30.04.2017 RM'000	YTD Ended 31.01.2017 RM'000
Short term borrowings - Bill payables	<u>9,872</u>	<u>-</u>

23. Material litigation

The Group was not aware of any material litigation that may have significant impact to the Group's profit.

24. Retained earnings

On 25 March 2010, Bursa Malaysia Securities Berthed ("Bursa Malaysia") issued a directive to all listed issuers pursuant to paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained earnings as at the end of the reporting year, into realised and unrealised profits or losses.

The following analysis of realised and unrealised profits or losses included in the retained earnings of the Group is presented in accordance with the directive of Bursa Malaysia Securities Berhad and prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	YTD Ended 30.04.2017 RM'000	YTD Ended 31.01.2017 RM'000
Total retained earnings of the Group:		
- Realised	57,981	46,386
- Unrealised	<u>(702)</u>	<u>607</u>
	57,279	46,993
Consolidation adjustments	<u>7,243</u>	<u>7,243</u>
Total retained earnings	<u><u>64,522</u></u>	<u><u>54,236</u></u>

The disclosure of realised and unrealised profits / (losses) above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia Securities Berthed and should not be applied for other purposes.

25. Dividend Payable

The Directors did not recommend any payment of dividend for the current financial year to-date.

26. Share Capital

With the new Companies Act 2016 (the “Act”) which came into effect on 31 January 2017, the credit standing in the share premium account and other reserve of RM72,253,564 and RM11,319,230 respectively have been transferred to the share capital account. Pursuant to the new Act, the Company may exercise its right to use the amount standing to the credit of its share premium account within twenty-four months upon the commencement of the new Act.

There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

27. Earnings Per Share**(a) Basic earnings per share**

Basic earnings per share amounts are calculated by dividing profit net of tax for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Potential ordinary shares are treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share. Potential ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share.

	3 months ended 30.04.2017	3 months ended 30.04.2016	YTD ended 30.04.2017	YTD ended 30.04.2016
Profit attributable to owners of the Company (RM'000)	10,146	(9,442)	10,146	(9,442)
Weighted average number of ordinary shares for basic earnings per share ('000)	558,790	558,790	558,790	558,790
Basic earnings per ordinary share (sen)	1.82	(1.69)	1.82	(1.69)

27. Earnings Per Share (Continued)

(b) Diluted earnings per share

Diluted earnings per share are based on the profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	3 months ended 30.04.2017	3 months ended 30.04.2016	YTD ended 30.04.2017	YTD ended 30.04.2016
Profit attributable to owners of the company (RM'000)	10,146	(9,442)	10,146	(9,442)
Weighted average number of ordinary shares for basic earnings per share ('000)	558,790	558,790	558,790	558,790
Effect of dilution from:				
- Share options ('000)	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>
	<u>579,790</u>	<u>579,790</u>	<u>579,790</u>	<u>579,790</u>
Diluted earnings per ordinary shares (sen)	1.75	(1.63)	1.75	(1.63)