Condensed Unaudited Consolidated Statement of Financial Position
As At 31 July 2020

	As at 31.07.2020 RM'000 (Unaudited)	As at 31.01.2020 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	287,292	257,320
Goodwill on consolidation	22	22
Right-of-use asset	13,165	13,338
Total non-current assets	300,479	270,680
Current assets		
Inventories	64,548	64,480
Trade and other receivables	143,935	106,236
Prepayments	3,170	5,639
Tax recoverable	498	874
Derivative financial assets	470	289
Cash and cash equivalents	62,974	34,864
Total current assets	275,595	212,382
TOTAL ASSETS	576,074	483,062
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	142,985	142,985
Reserves	226,845	167,709
TOTAL EQUITY	369,830	310,694
Non-current liabilities		
Loans and borrowings	25,997	27,494
Deferred tax liabilities	24,610	24,217
Total non-current liabilities	50,607	51,711
Current liabilities		
Loans and borrowings	65,598	56,942
Trade and other payables	70,103	62,724
Contract liabilities	991	991
Tax payable	18,945	-
Total current liabilities	155,637	120,657
TOTAL LIABILITIES	206,244	172,368
TOTAL EQUITY AND LIABILITIES	576,074	483,062
Net assets per share attributable to owners of the company (sen)	63	53

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 2020.

Condensed Unaudited Consolidated Statement of Comprehensive Income For the Second Quarter Ended 31 July 2020

	Current Quarter Ended 31.07.2020 RM'000 (Unaudited)	Corresponding Quarter Ended 31.07.2019 RM'000 (Unaudited)	Current YTD Ended 31.07.2020 RM'000 (Unaudited)	Corresponding YTD Ended 31.07.2019 RM'000 (Unaudited)
Revenue	197,952	117,636	350,859	237,592
Cost of sales	(134,446)	(103,778)	(259,099)	(207,335)
Gross profit	**63,506**	**13,858**	**91,760**	**30,257**
Other income	29	4	798	832
Selling and marketing expenses	(2,083)	(1,509)	(4,193)	(3,298)
Administrative expenses	(3,873)	(3,025)	(7,486)	(6,855)
Operating profit	**57,579**	**9,328**	**80,879**	**20,936**
Finance costs	(693)	(917)	(1,751)	(1,970)
Profit before tax	**56,886**	**8,411**	**79,128**	**18,966**
Income tax expense	(14,089)	(1,295)	(19,992)	(3,439)
Profit for the period	**42,797**	**7,116**	**59,136**	**15,527**
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	**42,797**	**7,116**	**59,136**	**15,527**
Profit attributable to:				
Owners of the Company	**42,797**	**7,116**	**59,136**	**15,527**
Total comprehensive income attributable to:				
Owners of the Company	**42,797**	**7,116**	**59,136**	**15,527**
Earnings per ordinary share attributable to owners of the Company (sen) (Note 27)				
- Basic	**7.34**	**1.26**	**10.14**	**2.74**
- Diluted	**7.34**	**1.26**	**10.14**	**2.74**

The Condensed Unaudited Consolidated Statement of Comprehensive Income should be read in conjuction with the Audited Financial Statement for the financial year ended 31 January 2020.

Condensed Unaudited Consolidated Statement of Changes in Equity For the Second Quarter Ended 31 July 2020

	Attributable to Owners of the Company					
	Share Capital RM'000	Share-based Option Reserve RM'000	Other Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
6 Months Ended 31 July 2020						
At 1 February 2020	142,985	-	11,319	19,892	136,498	310,694
Profit net of tax and total comprehensive income for the financial period	-	-	-	-	59,136	59,136
Realisation of revaluation reserve	-	-	-	(338)	338	-
At 31 July 2020	142,985	-	11,319	19,554	195,972	369,830
	Note 26					
6 Months Ended 31 July 2019						
At 1 February 2019	131,544	3,041	11,319	20,567	111,385	277,856
Profit net of tax and total comprehensive income for the financial period	-	-	-	-	15,527	15,527
Second tranche subscription shares pursuant to Advance Capitalisation	11,441	(3,041)	-	-	-	8,400
Realisation of revaluation reserve	-	-	-	(338)	338	-
At 31 July 2019	142,985	-	11,319	20,229	127,250	301,783

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 2020.

Condensed Unaudited Consolidated Statement of Cash Flows
For The Period Ended 31 July 2020

	Current YTD Ended 31.07.2020 RM'000 (Unaudited)	Corresponding YTD Ended 31.07.2019 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before taxation	79,128	18,966
Adjustments for:		
Net fair value (gain)/loss on derivatives	(180)	168
Property, plant and equipment		
- gain on disposal	(222)	(2)
- depreciation	12,751	10,309
Depreciation of right-of-use asset	172	-
Interest expense	1,751	1,970
Interest income	(253)	(93)
Operating profit before changes in working capital	93,147	31,318
Changes in working capital:		
Inventories	(68)	6,215
Receivables	(35,231)	4,553
Payables	7,379	(19,113)
Contract liability	-	(786)
Net cash generated from operations	**65,227**	**22,187**
Income tax paid	(277)	(963)
Income tax refund	1	26
Interest received	253	93
Interest paid	(1,751)	(1,970)
Net cash flow generated from operating activities	**63,453**	**19,373**
Cash flows from investing activities		
Purchase of property, plant and equipment	(42,727)	(24,039)
Proceeds from disposal of property, plant and equipment	225	2
Net cash flows used in investing activities	**(42,502)**	**(24,037)**
Cash flows from financing activities		
Proceeds from issue of shares	-	8,400
Net changes in bill payables	8,656	(8,556)
Net changes in term loan financing	(1,497)	5,281
Net cash flows from financing activities	**7,159**	**5,125**
Net changes in cash and cash equivalents	28,110	461
Cash and cash equivalents at beginning of the financial year	34,864	23,372
Cash and cash equivalents at end of the financial period	**62,974**	**23,833**
Cash and cash equivalents comprise:		
Cash and bank balances	54,866	22,267
Short-term investments	8,108	1,566
	62,974	**23,833**

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 2020.

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 Main Market Listing Requirements of Bursa Malaysia Securities Berthed.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2020. 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 2020.

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs that are mandatory for the current financial year:

Amendments/Improvements to MFRSs	
MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 139	Financial Instruments: Recognition and Measurement

Amendments to MFRS 3 Business Combinations

The amendments clarify the definition of a business with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The distinction is important because an acquirer does not recognise goodwill in an asset acquisition.

The amendments, amongst others, clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments also add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Basis of preparation (Cont'd)

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs that are mandatory for the current financial year: (cont'd)

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

These amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business, as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business.

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, and MFRS 7 Financial Instruments: Disclosures

The Malaysian Accounting Standards Board has issued *Interest Rate Benchmark Reform* (Amendments to MFRS 9, MFRS 139 and MFRS 7).

The *Interest Rate Benchmark Reform* amends some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the interbank offered rates reform. In applying the amendments, companies would continue to apply those hedge accounting requirements assuming that the interest rate benchmark associated with the hedged item, hedged risk and/or hedging instrument are based is not altered as a result of the interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

Applying the amendments, entities are not required to apply the MFRS 139 retrospective assessment but continue to apply hedge accounting to a hedging relationship for which effectiveness is outside of the 80–125% range during the period of uncertainty arising from the reform.

Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Error

The amendments refine the definition by including 'obscuring information' in the definition of material to respond to concerns that the effect of including immaterial information should not reduce the understandability of a company's financial statements. The prior definition focuses only on information that cannot be omitted (material information) and does not also consider the effect of including immaterial information.

Other refinements to the definition include incorporating some existing wording in MFRS 101 and the Conceptual Framework for Financial Reporting. Consequently, the amendments align the definition of material across MFRS Standards and other publications.

Basis of preparation (Cont'd)

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs that are mandatory for the current financial year: (cont'd)

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The adoption of the above new MFRSs, and amendments/improvements to MFRSs did not have any significant impact on the financial statements of the Group.

2. Audit qualifications

The auditors' reports on the financial statements of the Group for the financial year ended 31 January 2020 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, shares buy-backs, shares cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

7. Contingent assets and contingent liabilities

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

8. Property, plant and equipment

Property, plant and equipment are stated at valuation or cost less accumulated depreciation and impairment losses.

9. Material events

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

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. Operating segments

The Group's operating segments for the 6 months period ended 31 July 2020:

	Manufacturing RM'000	Investment Holding RM'000	Others RM'000	Inter-Segment RM'000	Total RM'000
Revenue					
Revenue from external customers	290,387	-	60,472	-	350,859
Inter segment revenue	56,517	600	-	(57,117)	-
Total revenue	346,904	600	60,472	(57,117)	350,859
Results					
Segment profit/(loss)	91,441	(299)	2,407	-	93,549
Interest income					253
Interest expense					(1,751)
Depreciation on property, plant and equipment					(12,751)
Depreciation of right-to-use asset					(172)
Profit before tax					79,128
Taxation					(19,992)
Net profit for the period					59,136

11. Operating segments (Cont'd)

The Group's operating segments for the 6 months period ended 31 July 2019:

	Manufacturing	Investment Holding	Others	Inter-Segment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Revenue from external customers	219,505	-	18,087	-	237,592
Inter segment revenue	16,808	600	-	(17,408)	-
Total revenue	236,313	600	18,087	(17,408)	237,592
Results					
Segment profit/(loss)	30,139	867	144	-	31,150
Interest income					93
Interest expense					(1,970)
Depreciation					(10,309)
Gain on disposal of property, plant and equipment					2
Profit before tax					18,966
Taxation					(3,439)
Net profit for the period					15,527

12. Review of performance

	2nd Quarter Ended			Year to Date Ended		
	31.07.2020 (2QYE21) RM'000	31.07.2019 (2QYE20) RM'000	Changes %	31.07.2020 (6MFYE21) RM'000	31.07.2019 (6MFYE20) RM'000	Changes %
Revenue	197,952	117,636	68%	350,859	237,592	48%
Gross profit	63,506	13,858	358%	91,760	30,257	203%
Operating profit	57,579	9,328	517%	80,879	20,936	286%
Profit before tax	56,886	8,411	576%	79,128	18,966	317%
Profit after tax	42,797	7,116	501%	59,136	15,527	281%
Profit attributable to Owners of the Company	42,797	7,116	501%	59,136	15,527	281%
Net profit margin	22%	6%		17%	7%	

As compared to 2QYE20, the current quarter revenue was higher by RM80 million, or 68%. The Group achieved the highest ever quarterly profit after tax of RM42.8 million, or 501% increase as compared to 2QYE20 mainly due to higher sales volume with significant higher average selling price and better economic of scales that has improved the margin from 6% to 22%.

The 6MFYE21 profit was higher than 6MFYE20 by 281%. The profit after tax of RM42.8 million in 2QYE21 itself had surpassed the full year profit for the financial year ended 2020 profit of RM33.2 million. The 6MFYE21 profit after tax of RM59.1 million had exceeded the profit registered for the financial year ended 2020 by RM25.9 million, or 78%. The increase in 6MFYE21 profit mainly due to higher revenue generated and better profit margin.

13. Variation of results against preceding quarter

	Quarter Ended		
	31.07.2020 (2QYE21) RM'000	30.04.2020 (1QYE21) RM'000	Changes %
Revenue	197,952	152,907	29%
Gross profit	63,506	28,254	125%
Operating profit	57,579	23,300	147%
Profit before tax	56,886	22,242	156%
Profit after tax	42,797	16,339	162%
Profit attributable to owners of the Company	42,797	16,339	162%
Net profit margin	22%	11%	

The sales revenue increased by 29% as compared to 1QYE21 mainly due to increase in sales volume and higher average selling price. The profit after tax increased by RM26.5 million, or 162%. The profit margin improved from 11% to 22%.

14. Current year prospects

The increase emphasis placed on hygiene and sanitation by COVID-19 has led to an increase in the demand for the Group's speciality premium gloves. Speciality gloves produced by the Group offer superior resistance to viruses and dangerous sanitisation chemicals which are necessary to manage and control COVID-19. Based on discussion and feedback from our partners worldwide, the Group is of the opinion that this will become a new market requirement that will shape all future glove demand globally. The emphasis on hygiene and sanitation will also not be reduced in the event a vaccine becomes generally available.

To meet this increase demand, the Group has begun optimizing and streamlining its existing operations to increase productivity and output by 10% this quarter when compared with the 1QYE21. The Group intends to continue this process with the goal of achieving an additional increase of 10% by 4QYE21. In addition to this, the Group will commission additional production lines that will increase overall capacity by 20% by 1QYE22. The current market environment has allowed the Group to work with our partners worldwide to lock in commitments for the purchase of gloves for the next 18 months.

14. Current year prospects (Cont'd)

The flexibility of the Group's manufacturing process and customer base outside the medical market has allowed the Group to effectively manage the shortage of synthetic latex in the market. Speciality premium gloves manufactured by the Group from natural latex are equally in demand by the Group's partners worldwide as its synthetic latex counterpart.

Looking forward the Group is well prepared to capitalise on the market opportunities to continue to grow and succeed beyond for many years to come.

15. Disclosure of COVID-19 related impacts

Our operations are not significantly impacted by COVID-19 except that there were some disruptions on workforce and supply chain in the beginning period of MCO (Movement Control Order. During MCO period, monthly ex-gratia payment was made, and daily lunch was provided to all employees as a token of appreciation in recognition of their contributions during this period.

In this RMCO (Recovery Movement Control Order) period, the Group are strictly complying with all the government's Standard Operating Procedures (SOP). We are also limit the physical visit by outsider to protect our employees from the infection of COVID-19.

We have sufficient resources and working capital to continue our operations during this RMCO (Recovery Movement Control Order) period.

16. Profit forecast or profit guarantee

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

17. Profit before taxation

This was arrived at after crediting/(charging):

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

	3 months ended 31.07.2020 RM'000	3 months ended 31.07.2019 RM'000	YTD ended 31.07.2020 RM'000	YTD ended 31.07.2019 RM'000
Interest income	161	60	253	93
Interest expense	(693)	(917)	(1,751)	(1,970)
Depreciation on property, plant and equipment	(6,443)	(5,520)	(12,751)	(10,309)
Depreciation of right-to-use asset	(86)	-	(172)	-
Gain/(loss) on Foreign Exchange:				
realised	(297)	(56)	95	688
unrealised	(184)	(341)	48	(384)
Fair value gain/(loss) on derivatives	131	350	180	(168)
Gain/(Loss) on disposal of plant and equipment	222	2	222	2

18. Capital Commitments

As at 31 July 2020, 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 31.07.2020 RM'000
Property, plant and equipment	
- approved and contracted for	28,966
- approved but not contracted for	1,366
	30,332

The capital commitments were in relation to the construction of 4 production lines in addition to auxiliary and ancillary equipment.

19. Taxation

	YTD Ended 31.07.2020 RM'000	YTD Ended 31.01.2020 RM'000
Deferred taxation	(394)	(8,111)
Taxation	(19,598)	(263)
	(19,992)	(8,374)

20. Derivative financial assets

	Year Ended 31.07.2020		Year Ended 31.01.2020	
	Contract Amount RM'000	Assets RM'000	Contract Amount RM'000	Assets RM'000
Non-hedging derivative:				
Forward exchange contracts	22,047	470	13,336	289

The Group use forward exchange contracts to manage some of the foreign currency 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 exchange contracts are used to manage the foreign currency exposures arising from the Group's sales denominated in USD. The forward exchange contracts have maturities of not more than 6 months.

During the financial period, the Group recognised a gain of RM180 thousand arising from fair value changes of derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

21. Quoted investment

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

22. Status of corporate proposal announced

There were no corporate proposals at the date of issue of the quarterly report.

23. Borrowings

The Group have the following borrowings as at 31 July 2020:

	YTD Ended 31.07.2020 RM'000	YTD Ended 31.01.2020 RM'000
Non current:		
Secured		
- Term Loan (RM denominated)	25,997	27,494
Current:		
Secured		
- Bill payables (USD denominated)	31,476	28,667
- Bill payables (RM denominated)	30,796	24,949
- Term Loan (RM denominated)	3,326	3,326
	65,598	56,942
	91,595	84,436

24. Material litigation

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

25. Dividend Payable

A single tier interim dividend of 1.5 sen per ordinary share, in respect of the financial year ended 31 January 2021 had been paid on 28 August 2020 to depositors who were registered in the Record of Depositors at the close of business on 4 August 2020.

26. Share Capital

The Group's share capital as at 31 July 2020 is as follow:

	YTD Ended 31.07.2020	
	No. of shares Unit' 000	RM'000
Issued and fully paid: - At 1 Feb 2020/31 July 2020	582,949	142,985

27. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share are based on the profit for the financial period or year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period or year, calculated as follows:

	3 months ended 31.07.2020	3 months ended 31.07.2019	YTD ended 31.07.2020	YTD ended 31.07.2019
Profit attributable to owners of the Company (RM'000)	42,797	7,116	59,136	15,527
Weighted average number of ordinary shares for basic earnings per share ('000)	582,949	566,371	582,949	566,371
Basic earnings per ordinary share (sen)	7.34	1.26	10.14	2.74

(b) Diluted earnings per share

Diluted earnings per share are based on the profit for the financial period or 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.

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.

Diluted earnings per share calculated as follows:

	3 months ended 31.07.2020	3 months ended 31.07.2019	YTD ended 31.07.2020	YTD ended 31.07.2019
Profit attributable to owners of the Company (RM'000)	42,797	7,116	59,136	15,527
Weighted average number of ordinary shares for basic earnings per share ('000)	582,949	566,371	582,949	566,371
Effect of dilution from:				
- Share options ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share ('000)	582,949	566,371	582,949	566,371
Diluted earnings per ordinary share (sen)	7.34	1.26	10.14	2.74