

Condensed Unaudited Consolidated Statement of Financial Position
As at 31 January 2017

	As at 31.01.2017 RM'000 (Unaudited)	Restated As at 31.01.2016 RM'000 (Unaudited)
Assets		
Non-current assets		
Property, plant and equipment	123,656	90,075
Current assets		
Inventories	43,950	23,848
Trade receivables	50,858	32,175
Other receivables, deposits and prepayments	5,795	5,155
Derivative financial assets	-	515
Tax recoverable	52	29
Cash and cash equivalents	23,408	47,888
	<u>124,063</u>	<u>109,610</u>
Total assets	<u><u>247,719</u></u>	<u><u>199,685</u></u>
Equity attributable to owners of the company		
Share capital	55,879	55,879
Reserves	150,224	124,357
	<u>206,103</u>	<u>180,236</u>
Non-current liabilities		
Deferred tax liabilities	1,166	1,394
Current liabilities		
Trade payables	30,599	11,014
Other payables and accruals	9,560	7,041
Derivatives liabilities	291	-
	<u>40,450</u>	<u>18,055</u>
Total liabilities	<u>41,616</u>	<u>19,449</u>
Total equity and liabilities	<u><u>247,719</u></u>	<u><u>199,685</u></u>
Net assets per share attributable to owners of the company (sen)	37	32

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 2016.

**Condensed Unaudited Consolidated Statement of Comprehensive Income
 For the Forth Quarter Ended 31 January 2017**

	Current Quarter Ended <u>31.01.2017</u> RM'000 (Unaudited)	Restated Corresponding Quarter Ended <u>31.01.2016</u> RM'000 (Unaudited)	Current YTD Ended <u>31.01.2017</u> RM'000 (Unaudited)	Restated Corresponding YTD Ended <u>31.01.2016</u> RM'000 (Unaudited)
Revenue	72,745	58,638	262,988	229,838
Cost of sales	(61,113)	(48,188)	(224,266)	(196,474)
Gross profit	11,632	10,450	38,722	33,364
Other items of income				
Interest income	125	275	728	416
Other income	116	504	13,933	1,436
Other items of expense				
Selling and marketing expenses	(543)	(986)	(3,918)	(2,933)
Administrative expenses	(3,186)	(3,549)	(23,756)	(9,345)
Operating profit	8,144	6,694	25,709	22,938
Finance costs	(3)	(82)	(36)	(158)
Profit before tax	8,141	6,612	25,673	22,780
Taxation	35	103	194	198
Profit net of tax	8,176	6,715	25,867	22,978
Other comprehensive profit, net of tax	170	181	681	722
Total comprehensive income	8,346	6,896	26,548	23,700
Profit attributable to:				
Owners of the company	8,176	6,715	25,867	22,978
Total comprehensive income attribute to:				
Owners of the company	8,346	6,896	26,548	23,700
Earnings per ordinary share				
attributable to owners of the company (sen)				
- Basic	1.46	1.47	4.63	5.02
- Diluted	1.46	1.47	4.63	5.02

The Condensed Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2016.

**Condensed Unaudited Consolidated Statement of Changes in Equity
Other Comprehensive Income For the Forth Quarter Ended 31 January 2017**

	← Attributable to owners of the company →						
	← Non-Distributable →					Restated	
	Share Capital RM'000	Share-based Option Reserve RM'000	Warrant Reserves RM'000	Revaluation Reserves RM'000	Other Reserves RM'000	Distributable Accumulated Profit RM'000	Total RM'000
12 Months Ended 31 January 2017							
At 1 February 2016	128,133	3,042	-	10,054	11,319	27,688	180,236
Profit net of tax	-	-	-	-	-	25,867	25,867
Realisation of revaluation reserve	-	-	-	(681)	-	681	-
Total comprehensive income	-	-	-	(681)	-	26,548	25,867
At 31 January 2017	128,133	3,042	-	9,373	11,319	54,236	206,103
12 Months Ended 31 January 2016							
At 1 February 2015	54,422	4,490	10,609	10,776	11,319	3,753	95,369
Profit net of tax	-	-	-	-	-	22,978	22,978
Realisation of revaluation reserve	-	-	-	(722)	-	722	-
Total comprehensive income	-	-	-	(722)	-	23,700	22,978
Transferred to retained earnings upon expiry of Warrant 2010/2015	-	-	(235)	-	-	235	-
Transaction with owners:							
Exercise of Warrants 2010/2015	68,263	-	(10,374)	-	-	-	57,889
Second tranche subscription shares pursuant to Advanced Capitalisation	5,448	(1,448)	-	-	-	-	4,000
At 31 January 2016	128,133	3,042	-	10,054	11,319	27,688	180,236

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 2016.

**Condensed Unaudited Consolidated Statement of Cash Flow
 For The Period Ended 31 January 2017**

	Current YTD Ended 31.01.2017 RM'000 (Unaudited)	Corresponding YTD Ended 31.01.2016 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before taxation	25,673	22,780
Adjustments for:		
Non-cash items	9,328	6,579
Property, plant and equipment written off	5,033	-
Inventory written off	7,724	-
Interest expense	36	158
Interest income	(728)	(416)
Operating profit before working capital changes	47,066	29,101
Changes in working capital:		
Net change in current assets	(47,150)	(13,766)
Net change in current liabilities	22,103	(7,369)
Cash generated from operations	22,019	7,966
Interest paid	(36)	(148)
Tax paid	(57)	(14)
Net cash generated from operating activities	21,926	7,804
Cash flows from investing activities		
Purchase of property, plant and equipment	(47,522)	(32,214)
Proceeds from disposal of property, plant and equipment	388	11
Interest received	728	416
Net cash used in investing activities	(46,406)	(31,787)
Cash flows from financing activities		
Exercise of Warrants 2010/2015	-	57,889
Proceeds from second tranche subscription shares pursuant to Advance Capitalisation	-	4,000
Repayment to a director	-	(36)
Repayment of hire purchase	-	(43)
Interest paid	-	(9)
Net cash generated from financing activities	-	61,801
Net changes in cash and cash equivalents	(24,480)	37,818
Cash and cash equivalents at beginning of the financial year	47,888	10,070
Cash and cash equivalents at end of the financial year	23,408	47,888
Cash and cash equivalents comprise:		
Cash and bank balances	3,840	6,922
Fixed and short term deposits placed with licensed banks	19,568	40,966
	23,408	47,888

The Condensed Unaudited Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2016.

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 2016. 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 2016. The Group have adopted the amendments/improvements to MFRSs that are mandatory for the current financial year. The abovementioned adoptions do not have any significant effect on the financial statements of the Group, and do not result in significant changes to the Group's existing accounting policies.

2. Audit qualifications

The auditors' reports on the financial statements of the Company for the financial year ended 31 January 2016 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

In this current quarter, an adjustment was made to rectify an error by supplier relating to the Group's annual financial statements for the year ended 31 January 2016.

In August 2016, we received an invoice from Gas Malaysia Berthed on additional gas charges of RM 0.5 million. This amount was arrived after tariff reconciliation based on actual natural gas consumption whereby such tariff reconciliation was not mentioned in Gas Supply Agreement. The Group has made an appeal to Gas Malaysia Berthed to waive the charges, but was rejected.

The Group decided to rectify this under accrual of the gas charges in the previous financial year ended 31 January 2016.

The Consolidated Statement of Financial Position on Page 1 was restated as follow:

	Audited	Prior Year Adjustment	Restated
	<u>RM 000</u>	<u>RM 000</u>	<u>RM 000</u>
Reserves	124,864	(507)	124,357
Other payables and accruals	6,534	507	7,041

The Consolidated Statement of Profit and Loss and Other Comprehensive Income on Page 2 was restated as follow:

	Audited	Prior Year Adjustment	Restated
	<u>RM 000</u>	<u>RM 000</u>	<u>RM 000</u>
Revenue	229,838	-	229,838
Cost of sales	(195,967)	(507)	(196,474)
Gross Profit	<u>33,871</u>	<u>(507)</u>	<u>33,364</u>
Profit attributable to:			
Owners of the company	<u>23,485</u>	<u>(507)</u>	<u>22,978</u>
Total comprehensive income attributable to:			
Owners of the company	<u>24,207</u>	<u>(507)</u>	<u>23,700</u>

The prior year adjustment will only impact on the last quarter of preceding financial year.

6. Debt 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 12 months period ended 31 January 2017 are as follows:

	<u>Manufacturing</u>	<u>Investment Holding</u>	<u>Others</u>	<u>Inter-Segment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total	234,562	-	28,426	-	262,988
Inter segment	26,267	-	-	(26,267)	-
External	<u>260,829</u>	<u>-</u>	<u>28,426</u>	<u>(26,267)</u>	<u>262,988</u>
Results					
Segment profit/(loss)	33,883	(200)	369	-	34,052
Insurance claim receivable					12,143
Interest income					728
Finance costs					(36)
Depreciation					(8,457)
Inventory written off					(7,724)
Property, plant and equipment written off					(5,033)
Profit before tax					<u>25,673</u>
Taxation					194
Net profit for the period					<u><u>25,867</u></u>

The Group's operating segments for the 12 months period ended 31 January 2016 are as follows:

	<u>Manufacturing</u>	<u>Investment Holding</u>	<u>Others</u>	<u>Inter-Segment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total	205,975	-	23,863	-	229,838
Inter segment	22,087	-	-	(22,087)	-
External	<u>228,062</u>	<u>-</u>	<u>23,863</u>	<u>(22,087)</u>	<u>229,838</u>
Results					
Segment profit/(loss)	29,001	(832)	687	(139)	28,717
Interest income					416
Interest expense					(158)
Depreciation					(6,189)
Property, plant and equipment written off					(6)
Profit before tax					<u>22,780</u>
Taxation					198
Net profit for the period					<u><u>22,978</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

A subsidiary, named Comfort Rubber Gloves Industries Sdn. Bhd. had temporarily ceased its business operations on 4th March 2016 due to a fire outbreak on the new constructed warehouse. Subsequently, the Company resumed its business operations on 7th March 2016. The Company suffered a total loss of RM 12.8 million. An insurance claim settlement of RM 12.1 million has been received to compensate the warehouse's reconstruction cost and inventory loss amounting to RM 4.4 million and RM 7.7 million respectively.

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

The Company does not have any material contingent assets and contingent liabilities for the current financial period.

12. Capital Commitments

As at 31st January 2017, the Company is 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:

	<u>31.01.17</u>
	RM'000
Property, plant and equipment	
- approved and contracted for	1,052
- approved but not contracted for	<u>30,500</u>
	<u>31,552</u>

The approved and contracted for capital commitments are in relation to the construction of a new production plant consisting of 8 production lines.

13. Review of performance

	4th Qtr Ended			Year to Date Ended		
	31/01/17 RM'000	31/01/16 RM'000	Variance %	31/01/17 RM'000	31/01/16 RM'000	Variance %
Revenue	72,745	58,638	24%	262,988	229,838	14%
Cost of sales	(61,113)	(48,188)	27%	(224,266)	(196,474)	14%
Gross profit	11,632	10,450		38,722	33,364	
Gross profit margin	16%	18%		15%	15%	
Profit before tax (PBT)	8,141	6,612		25,673	22,780	
Add: Loss due to fire	-	-		614	-	
	8,141	6,612	23%	26,287	22,780	15%
PBT margin	11%	11%		10%	10%	

Preceding Year Quarter Comparison

In this current quarter, the Group registered sales revenue of RM 72.7 million, which was 24% higher than 4QYE2016. This was mainly due to increase in sales quantity by 19% following the increase in productivity.

The quarterly gross profit margin has dropped by 2% mainly due to increase in raw material price whereby we were unable to transfer the additional cost to customer for orders committed in previous months.

Preceding Year to Date Comparison

Following the installation of additional 8 production lines, the Group's productivity increased by 20% as compared to previous year. To be cost effective, the management team aggressively conducted projects to improve on production processes and yield. Through energy efficiency projects, the Group achieved a great saving in consumption of natural gas and water by 17% and 20% respectively. The saving in natural gas mitigated the impact of increase in natural gas rate of 26%, hence, further strengthened the Group's competitive position.

The sales revenue increased by 14% mainly due to increase in demand of specialty gloves. The Group has successfully built up reputation on quality specialty gloves that suit for various applications at a reasonable price. This was also contributed by management team that actively involved in sourcing supply chain partners that offered value added products and services.

The Group's performance was affected by fire outbreak that occurred in March 2016, which led to a loss of RM 0.6 million. The fire outbreak slowed down the gloves manufacturing operations in both 1st and 2nd quarters. The Group is able to maintain a gross profit margin and net profit margin of 15% and 10% respectively.

14. Variation of results against preceding quarter

	Qtr Ended		Variance %
	31/01/17 RM'000	31/10/16 RM'000	
Revenue	72,745	74,039	-2%
Cost of sales	(61,113)	(62,962)	-3%
Gross profit	11,632	11,077	
Gross profit margin	16%	15%	
Profit before tax (PBT)	8,141	8,099	
PBT margin	11%	11%	

The sales revenue has dropped by 2% mainly due to seasonal slowdown in western countries. The gross profit and profit before tax margin were comparable to previous quarter.

15. Current year prospects

The Group is planning to install an additional 8 production lines in financial year ended 2018 to bring the total production lines to 48. This will boost productivity by at least 20%.

Continuous research and development projects will be carried on to promote better quality speciality gloves. With encouraging response from customers for speciality gloves, the Group will maintain its focus on these gloves.

The Group foresees that current market conditions will remain robust and challenging. However, the Group remains confident that through cost reduction and improvement in efficiency will enable the Group to be more competitive in the quarters ahead.

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 31.01.17	YTD Ended 31.01.17
Deferred taxation	57	228
Taxation	(22)	(34)
	<u>35</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 is arrive at after crediting/(charging):

	3 months ended <u>31.01.17</u> (RM'000)	3 months ended <u>31.01.16</u> (RM'000)	YTD ended <u>31.01.17</u> (RM'000)	YTD ended <u>31.01.16</u> (RM'000)
Interest income	125	275	728	416
Interest expense	(3)	(82)	(36)	(158)
Depreciation	(2,553)	(1,683)	(8,457)	(6,189)
Gain/(Loss) on Foreign Exchange:				
- realised	329	304	1,140	289
- unrealised	(214)	(1,981)	607	(1,037)
Fair value (loss)/gain on derivatives	(67)	991	(807)	690
Plant and equipment written off	-	(6)	(5,033)	(6)
Inventory written off	-	-	(7,724)	-
Allowance for doubtful debts	-	-	-	(215)
(Loss)/Gain on disposal of property, plant plant and equipment	(64)	10	(64)	10

Save as above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are 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 is no corporate proposal announced since the last financial year.

22. Borrowings

The Group do not have any borrowing since the last financial year.

23. Material litigation

The Group is 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 breakdown of the retained earnings of the Group into realised and unrealised profits or losses, pursuant to the directive, is as follows:

	<u>31.10.16</u>	<u>31.01.16</u>
	RM’000	RM’000
Total retained earnings of the Group:		
- Realised	45,705	20,760
- Unrealised	1,288	(315)
Consolidated adjustments	<u>7,243</u>	<u>7,243</u>
Total accumulated gain as per statement of financial position	<u>54,236</u>	<u>27,688</u>

The determination of realised and unrealised profits / (losses) is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berthed Listing Requirements, issued by the Malaysia Institute of Accountants on 20 December 2010.

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 do not recommend any payment of dividend for the current financial year to-date.

26. Share Capital

Section 74 of the Companies Act 2016 requires all shares issued before or upon the commencement of this Act shall have no par value or nominal value. Section 618 (1)(a) further states that upon the commencement of Section 74, any credit balance on share premium account shall become part of the company's share capital. However, the Act permits a company, within twenty-four months upon the commencement of Section 74, to use the credit balance of share premium account for the purpose as stipulated in Section 618 (3).

The share capital as disclosed in Consolidated Statement of Changes in Equity on page 3 has consolidated the share premium account to share capital. The breakdown of the share capital is as follow:

	Share Capital RM'000	Share Premium RM'000	Total RM'000
<u>12 Months Ended 31 January 2017</u>			
At 1 February 2016/31 January 2017	55,879	72,254	128,133
<u>12 Months Ended 31 January 2016</u>			
At 1 February 2015	43,301	11,121	54,422
Transaction with owners:			
Exercise of Warrants 2010/2015	11,578	56,685	68,263
Second tranche subscription shares pursuant to Advanced Capitalisation	1,000	4,448	5,448
At 31 January 2016	<u>55,879</u>	<u>72,254</u>	<u>128,133</u>

27. Earnings Per Share

	3 months ended	Restated 3 months ended	YTD ended	Restated YTD ended
	<u>31.01.17</u>	<u>31.01.16</u>	<u>31.01.17</u>	<u>31.01.16</u>
Net profit for the year (RM'000)	8,176	6,715	25,867	22,978
Weighted average no. of ordinary shares for basic earnings per share computation ('000)	558,790	457,483	558,790	457,483
Earnings per ordinary share attributable to owners of the parent (cent)				
- Basic	1.46	1.47	4.63	5.02
- Diluted	1.46	1.47	4.63	5.02