

Condensed Unaudited Consolidated Statement of Financial Position

As at 31 January 2018

	As at 31.01.2018 RM'000 (Unaudited)	As at 31.01.2017 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	145,527	123,656
Total non-current assets	145,527	123,656
Current assets		
Inventories	39,757	43,950
Trade receivables	81,166	50,858
Other receivables, deposits and prepayments	10,094	5,795
Tax recoverable	83	52
Derivative financial assets	1,700	-
Cash and cash equivalents	28,626	23,408
Total current assets	161,426	124,063
TOTAL ASSETS	306,953	247,719
EQUITY AND LIABILITIES		
Equity attributable to owners of the company		
Share capital	142,863	139,452
Reserves	102,547	66,650
Total equity attributable to owners of the company	245,410	206,102
Non-current liabilities		
Deferred tax liabilities	6,213	1,166
Total non-current liabilities	6,213	1,166
Current liabilities		
Trade payables	31,552	30,599
Other payables and accruals	13,103	9,560
Loan and borrowings	10,625	-
Provision for taxation	50	-
Derivatives financial liabilities	-	292
Total current liabilities	55,330	40,451
Total liabilities	61,543	41,617
TOTAL EQUITY AND LIABILITIES	306,953	247,719
Net assets per share attributable to owners	44	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 Fourth Quarter Ended 31 January 2018**

	Current Quarter Ended <u>31.01.2018</u> RM'000 (Unaudited)	Corresponding Quarter Ended <u>31.01.2017</u> RM'000 (Unaudited)	Current YTD Ended <u>31.01.2018</u> RM'000 (Unaudited)	Corresponding YTD Ended <u>31.01.2017</u> RM'000 (Audited)
Revenue	106,358	72,745	421,176	262,988
Cost of sales	(92,658)	(61,113)	(363,619)	(224,266)
Gross profit	13,700	11,632	57,557	38,722
Other income	2,828	241	3,428	14,661
Selling and marketing expenses	(1,235)	(543)	(5,344)	(3,918)
Administrative expenses	(5,049)	(3,186)	(14,221)	(23,756)
Operating profit	10,244	8,144	41,420	25,709
Finance costs	(92)	(3)	(296)	(36)
Profit before tax	10,152	8,141	41,124	25,673
Taxation	(5,368)	35	(5,227)	194
Profit for the period	4,784	8,176	35,897	25,867
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	4,784	8,176	35,897	25,867
Profit attributable to:				
Owners of the company	4,784	8,176	35,897	25,867
Earnings per ordinary share attributable to owners of the company (sen)				
- Basic	0.86	1.46	6.42	4.63
- Diluted	0.78	1.41	5.88	4.46

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 Fourth Quarter Ended 31 January 2018

	← 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>12 Months Ended 31 January 2018</u>							
At 1 February 2017	139,452	-	3,041	-	9,373	54,236	206,102
Profit net of tax and total comprehensive income for the financial period	-	-	-	-	-	35,897	35,897
Realisation of revaluation reserve	-	-	-	-	(560)	560	-
Shares issued under Employees' Share Scheme	3,411	-	-	-	-	-	3,411
At 31 January 2018	142,863	-	3,041	-	8,813	90,693	245,410
 <u>12 Months Ended 31 January 2017</u>							
At 1 February 2016	55,879	72,254	3,041	11,319	10,054	28,195	180,742
Prior year adjustment	-	-	-	-	-	(507)	(507)
Profit net of tax and total comprehensive income for the financial period	-	-	-	-	-	25,867	25,867
Realisation of revaluation reserve	-	-	-	-	(681)	681	-
Transition to no-par value regime	83,573	(72,254)	-	(11,319)	-	-	-
At 31 January 2017	139,452	-	3,041	-	9,373	54,236	206,102

Note 26

**Condensed Unaudited Consolidated Statement of Cash Flows
For The Period Ended 31 January 2018**

	Current YTD Ended <u>31.01.2018</u> RM'000 (Unaudited)	Corresponding YTD Ended <u>31.01.2017</u> RM'000 (Unaudited)
Cash flows from operating activities		
Profit before taxation	41,124	25,673
Adjustments for:		
Net fair value (gain)/loss on derivatives	(1,992)	807
Property, plant and equipment		
- net loss on disposal	102	64
- depreciation	12,346	8,457
- written off	503	5,033
Employees' share award	3,411	-
Inventory written off	-	7,724
Interest expense	296	36
Interest income	(413)	(728)
Operating profit before changes in working capital	<u>55,377</u>	<u>47,066</u>
Changes in working capital:		
Inventories	4,193	(27,827)
Receivables	(34,608)	(19,323)
Payables	4,496	22,103
Bill payables	10,625	-
Net cash flows generated from operations	<u>40,083</u>	<u>22,019</u>
Income tax paid	(202)	(69)
Income tax refund	41	12
Interest received	413	728
Interest paid	(296)	(36)
Net cash flow generated from operating activities	<u>40,039</u>	<u>22,654</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(34,960)	(47,522)
Proceeds from disposal of property, plant and equipment	139	388
Net cash flows used in investing activities	<u>(34,821)</u>	<u>(47,134)</u>
Net cash flows from financing activities	-	-
Net changes in cash and cash equivalents	5,218	(24,480)
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>28,626</u>	<u>23,408</u>
Cash and cash equivalents comprise:		
Cash and bank balances	18,646	7,318
Fixed and short term deposits placed with licensed banks	9,980	16,090
	<u>28,626</u>	<u>23,408</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 Berhad (“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 12 months period ended 31 January 2018 are as follows:

	Manufacturing	Investment	Others	Inter-Segment	Total
	RM'000	Holding RM'000	RM'000	RM'000	RM'000
Revenue					
Revenue from					
external customers	391,571	-	29,605	-	421,176
Inter segment sales	27,424	1,200	-	(28,624)	-
Total revenue	418,995	1,200	29,605	(28,624)	421,176
Results					
Segment profit/(loss)	55,202	(223)	(1,021)	-	53,958
Interest income					413
Interest expense					(296)
Depreciation					(12,346)
Loss on disposal of property, plant and equipment					(102)
Property, plant and equipment written off					(503)
Profit before tax					41,124
Taxation					(5,227)
Net profit for the period					35,897

7. Operating segments (Continued)

The Group's operating segments for the 12 months period ended 31 January 2017 are as follows:

	Manufacturing	Investment	Others	Inter-Segment	Total
	RM'000	Holding RM'000	RM'000	RM'000	RM'000
Revenue					
Revenue from external customers	234,562	-	28,426	-	262,988
Inter segment sales	26,267	-	-	(26,267)	-
Total revenue	<u>260,829</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
Interest expense					(36)
Depreciation					(8,457)
Inventory written off					(7,724)
Property, plant and equipment written off					<u>(5,033)</u>
Profit before tax					<u>25,673</u>
Taxation					<u>194</u>
Net profit for the period					<u><u>25,867</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. Review of performance

	4th Quarter Ended			Year to Date Ended		
	31.01.2018 (4QYE18)	31.01.2017 (4QYE17)	Changes	31.01.2018 (4QYE18)	31.01.2017 (4QYE17)	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	106,358	72,745	46%	421,176	262,988	60%
Operating profit	10,244	8,144	26%	41,420	25,709	61%
Profit before tax	10,152	8,141	25%	41,124	25,673	60%
Profit after tax	4,784	8,176	-41%	35,897	25,867	39%
Profit attributable to Owners of the Company	4,784	8,176	-41%	35,897	25,867	39%
Reconciliation:						
Profit after tax	4,784	8,176		35,897	25,867	
Add: Employees' share award	3,411	-		3,411	-	
Add: Loss due to fire	-	-			614	
	<u>8,195</u>	<u>8,176</u>	0%	<u>39,308</u>	<u>26,481</u>	48%
Net profit margin	8%	11%		9%	10%	

As compared to 4QYE17, the sales revenue higher by 46% from RM72.7million in 4QYE17 to RM106.4million in 4QYE18. The Group registered net profit before tax of RM10.2million compared to RM8.1million in 4QYE17, an increase of 25%.

The profit after tax of RM4.8million was 41% lower than RM8.2million reported in 4QYE17. This was mainly due to RM3.4million shares were awarded to staff and directors as an appreciation to their effort and hard work contributed to the Group since the Company under PN17 status (in Dec 2012) until current profitable position. Besides, RM5.2million provision was made on deferred taxation. The Group has applied for tax allowance, hence, partial of the deferred taxation is recoverable upon obtaining the tax allowance certificate.

The year to date sales revenue was 60% higher than in last preceding year and led to higher profit after tax of RM35.9million. The better performance was mainly due to higher sales achieved and stronger competitive position.

The profit after tax, if without taken into consideration of RM3.4million shares award, it should have been RM39.3million with 9% profit margin. The profit margin was slightly lower than in last preceding year mainly due to higher utility costs and strengthening of RM against USD towards end of the current financial year.

13. Variation of results against preceding quarter

	4th Quarter Ended		
	31.01.2018 (4QYE18) RM'000	31.10.2017 (3QYE18) RM'000	Changes %
Revenue	106,358	106,521	0%
Operating profit	10,244	11,926	-14%
Profit before tax	10,152	11,852	-14%
Profit after tax	4,784	11,901	-60%
Profit attributable to owners of the Company	4,784	11,901	-60%
Reconciliation:			
Profit after tax	4,784	11,901	
Add: Employees' share award	3,411	-	
	<u>8,195</u>	<u>11,901</u>	
Net profit margin	8%	11%	-31%

The sales revenue was comparable to previous quarter. The profit before tax, if without taken into consideration of RM3.4million shares award, it should have been RM13.6million, an increase of 14% instead of a decrease of 14%.

However, the profit after tax dropped from RM11.9million to RM4.8million. The lower profit after tax was mainly due to RM3.4million shares award and RM5.2million deferred taxation as mentioned in Note 12.

14. Current year prospects

Prospects for the rubber glove manufacturing sector remain strong with increasing demand arising from switching trends towards nitrile glove. Nitrile glove now accounts for 61% of Malaysian rubber glove export. As overall demand for nitrile gloves increases, the market is seeing increase segmentation and differentiation leading to an increase demand for specialty gloves. Through dedication to process rationalization and improving operational agility, the Group is confident in capturing greater market share and strengthening margins. The Group is confident that meeting customer expectations and continuous innovation will strengthen our position as the bespoke specialty glove manufacturer.

15. Profit forecast or profit guarantee

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

16. Profit before taxation

This was arrive at after crediting/(charging):

	3 months ended 31.01.2018 RM'000	3 months ended 31.01.2017 RM'000	YTD ended 31.01.2018 RM'000	YTD ended 31.01.2017 RM'000
Interest income	191	125	413	728
Interest expense	(92)	(3)	(296)	(36)
Depreciation	(3,342)	(2,553)	(12,346)	(8,457)
Gain/(Loss) on Foreign Exchange:				
realised	891	329	972	1,140
unrealised	(1,917)	(214)	(2,096)	607
Fair value (loss)/gain on derivatives	1,747	(67)	1,992	(807)
Plant and equipment written off	-	-	(503)	(5,033)
Loss on disposal of plant and equipment	(30)	(64)	(102)	(64)
Inventory written off	-	-	-	(7,724)

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

17. Capital Commitments

As at 31 January 2018, 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 31.01.2018 RM'000
Property, plant and equipment	
- approved and contracted for	816
- approved but not contracted for	30,000
	<u>30,816</u>

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

18. Taxation

	YTD Ended 31.01.2018 RM'000	YTD Ended 31.01.2017 RM'000
Deferred taxation	(5,047)	228
Taxation	<u>(180)</u>	<u>(34)</u>
	<u><u>(5,227)</u></u>	<u><u>194</u></u>

19. Derivative financial assets/ (liabilities)

	Year Ended 31.01.2018		Year Ended 31.01.2017	
	Contract Amount RM'000	Assets RM'000	Contract Amount RM'000	Liabilities RM'000
Non-hedging derivative:				
Forward exchange contracts	<u>36,874</u>	<u>1,700</u>	<u>17,981</u>	<u>(291)</u>

The Group use forward exchange 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 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 year, the Group recognised a gain of RM2million arising from fair value changes of derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

20. Landed properties

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

21. Quoted investment

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

22. Status of corporate proposal announced

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

23. Borrowings

The Group have the following borrowings as at 31 January 2018:

	YTD Ended 31.01.2018 RM'000	YTD Ended 31.01.2017 RM'000
Unsecured short term borrowings - Bill payables (USD denominated)	<u>10,625</u>	<u>-</u>

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 final single tier dividend of 1 sen per ordinary share, in respect of the financial year ended 31 January 2018 has been recommended by the Directors which is subject to the approval of the shareholders at the forthcoming Annual General Meeting. The date of payment of the recommended final dividend shall be determine by the Directors and announced at a later 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.

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 31.01.2018	3 months ended 31.01.2017	YTD ended 31.01.2018	YTD ended 31.01.2017
Profit attributable to owners of the Company (RM'000)	4,784	8,176	35,897	25,867
Weighted average number of ordinary shares for basic earnings per share ('000)	558,807	558,790	558,807	558,790
Basic earnings per ordinary share (sen)	0.86	1.46	6.42	4.63

(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 31.01.2018	3 months ended 31.01.2017	YTD ended 31.01.2018	YTD ended 31.01.2017
Profit attributable to owners of the Company (RM'000)	4,784	8,176	35,897	25,867
Weighted average number of ordinary shares for basic earnings per share ('000)	558,807	558,790	558,807	558,790
Effect of dilution from:				
- Share options ('000)	51,813	21,000	51,813	21,000
	<u>610,620</u>	<u>579,790</u>	<u>610,620</u>	<u>579,790</u>
Diluted earnings per ordinary shares (sen)	0.78	1.41	5.88	4.46