



**HEXTAR GLOBAL BERHAD**



**Analyst Presentation**



**2<sup>nd</sup> Quarter FYE 2021 Results**

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## Snapshot of the Group



# Executive Summary

## Background of the Hextar Group

- Hextar was incorporated in Malaysia on 13 October 1990 as Halex Holdings Sdn Bhd. and together with its subsidiaries, were principally involved in trading and distribution of agrochemicals, manufacturing and trading of consumer products and agro-based technology
- In 2007, Halex was converted to a public limited company and was subsequently listed on the main market of Bursa Malaysia Securities Berhad on 16 September 2009
- On 30 April 2019, Halex completed the merger of its business with Hextar Chemicals Limited group of companies following which it officially changed its name to Hextar Global Berhad
- Over the past 30 years, the Group has grown and diversified its business operations and is now a leading crop management solutions provider in Malaysia with a strong global presence
- With over 700 products successfully registered domestically and globally, Hextar has now expanded its operations to 7 countries with a team of over 500 personnel to serve customers and suppliers from more than 30 countries across several continents

- ✓ Pesticides
- ✓ Fertilisers
- ✓ Specialty chemicals

- ✓ Research and development
- ✓ Consumer products
- ✓ Biogas processing systems

Generated  
revenue of  
**RM418mn**  
in FYE 2020

Achieved  
**PAT of  
RM44mn**  
in  
FYE2020

**Portfolio  
of over  
700**  
registered  
products

Provider of  
agrochemical  
solutions for  
**over 30 years**

Market cap  
as at 26  
Aug 2021 of  
**RM1.63 bn**

# Evolution of the Group



HALEX GROUP

<b>1980</b> Halex (M) Sdn Bhd founded as a trading company specializing in import and distribution of agrochemical and fertilizer products	<b>1990</b> Commencement of horticulture business	<b>2006</b> Commercialisation of baby wipes and tissue products under the brand Tendersoft	<b>2009</b> Listing of Halex Holdings Berhad on the Main Market of Bursa Malaysia	<b>2017</b> Waras Dinamik Sdn Bhd acquires majority stake in Halex Holdings	<b>2019</b> Halex Holdings acquires the entire issued share capital of Hextar Chemical Limited
1980 - 1989	1990 - 1999	2000 - 2008	2009 - 2011	2012 - 2018	

## Key milestones

1980 - 1989      1990 - 1999      2000 - 2008      2009 - 2011      2012 - 2018

<b>1985</b> Hextar Chemical Sdn Bhd was incorporated as an agrochemicals marketing company in Klang	<b>1994</b> Started exporting to overseas markets	<b>2003</b> Start of Hextar's long term export business to Indonesia	<b>2010</b> <ul style="list-style-type: none"> <li>- Expanded R&amp;D activities under Hextar R&amp;D International</li> <li>- Incorporated industrial chemicals business</li> </ul>
<b>1989</b> Hextar commenced production of agrochemicals in Pandamaran, Port Klang		<b>2008</b> Hextar JV with Unitop India to produce specialty chemicals	<b>2011</b> Started repacking operations in Bekasi, Indonesia

**Hextar**

<b>2019</b> Halex Holdings changes name to <b>Hextar Global Berhad</b>	<b>2020</b> Acquisition of controlling stake in Biogas Engineering Sdn Bhd	<b>2021</b> Acquisition of entire issued capital of Alpha Aim (M) Sdn Bhd and Chempro Technology (M) Sdn Bhd
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# Business Overview

✓ **AGROCHEMICALS**

Manufacturing, trading and distributing of a complete range of branded agrochemicals

✓ **PUBLIC HEALTH**

Protecting and improving the health of communities with a range of public health products

✓ **SPECIALTY CHEMICALS**

Specialising in producing specialty chemicals such as surfactants, emulsifiers and demulsifiers for various industries

✓ **RESEARCH & DEVELOPMENT**

Inhouse R&D team with capabilities and facilities in areas of product improvement, new formulation and others

✓ **CLEANING & DISINFECTING**

Supply and develop chemicals used in the oilfield industry



**CHEMICALS**

✓ **BIOGAS SYSTEM**

Specialising in biogas generation projects to treat Palm Oil Mill Effluent (POME) wastewater



**ENERGY**

**CONSUMER**

✓ **CONSUMER HYGIENE PRODUCTS**

Manufacturer of quality paper, cotton and wet wipe products

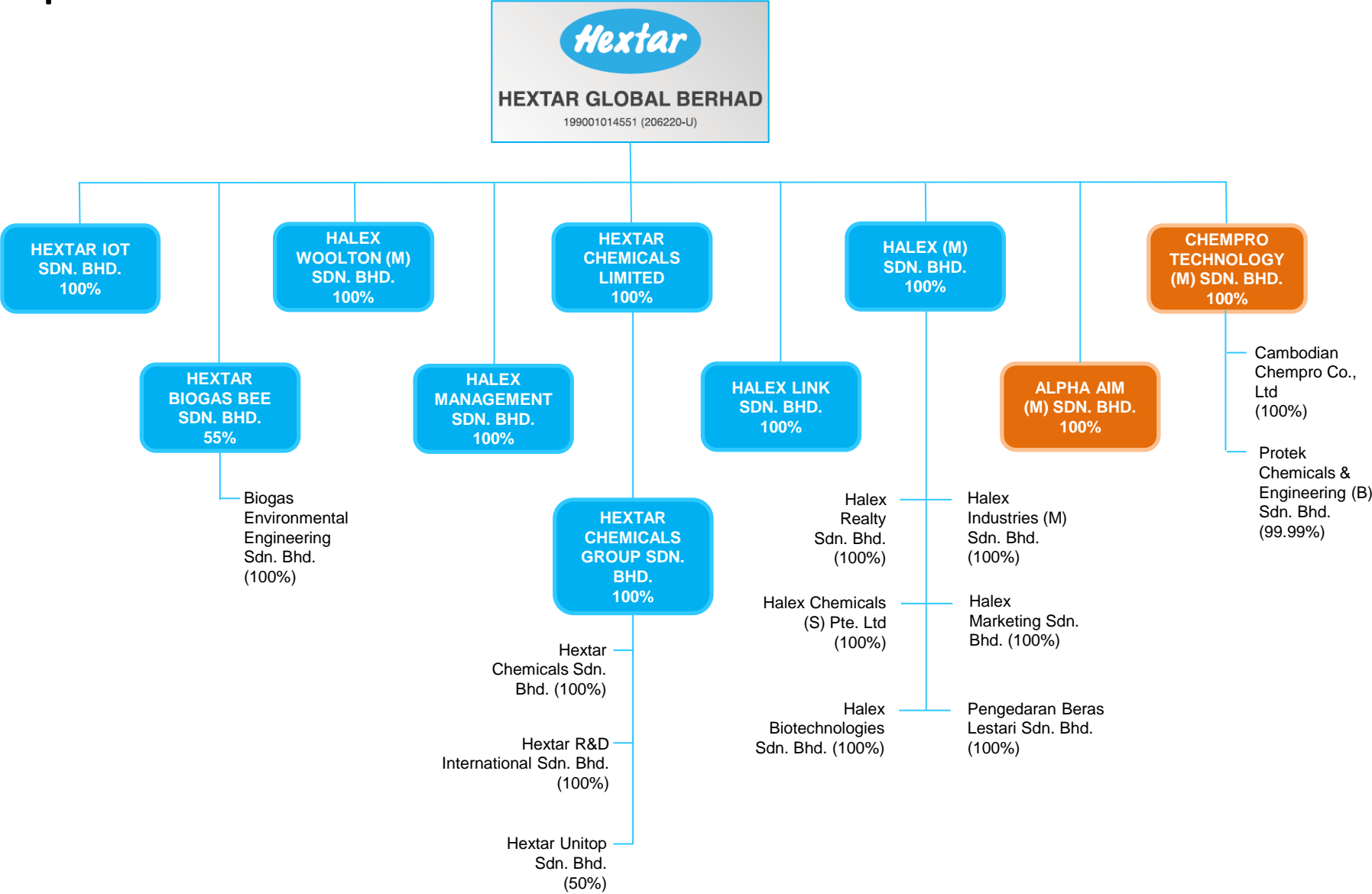


**INDUSTRIAL**

✓ **INDUSTRIAL AUTOMATION**

Offering cost-saving solutions to businesses by providing automation and robotic solutions

# Corporate Structure



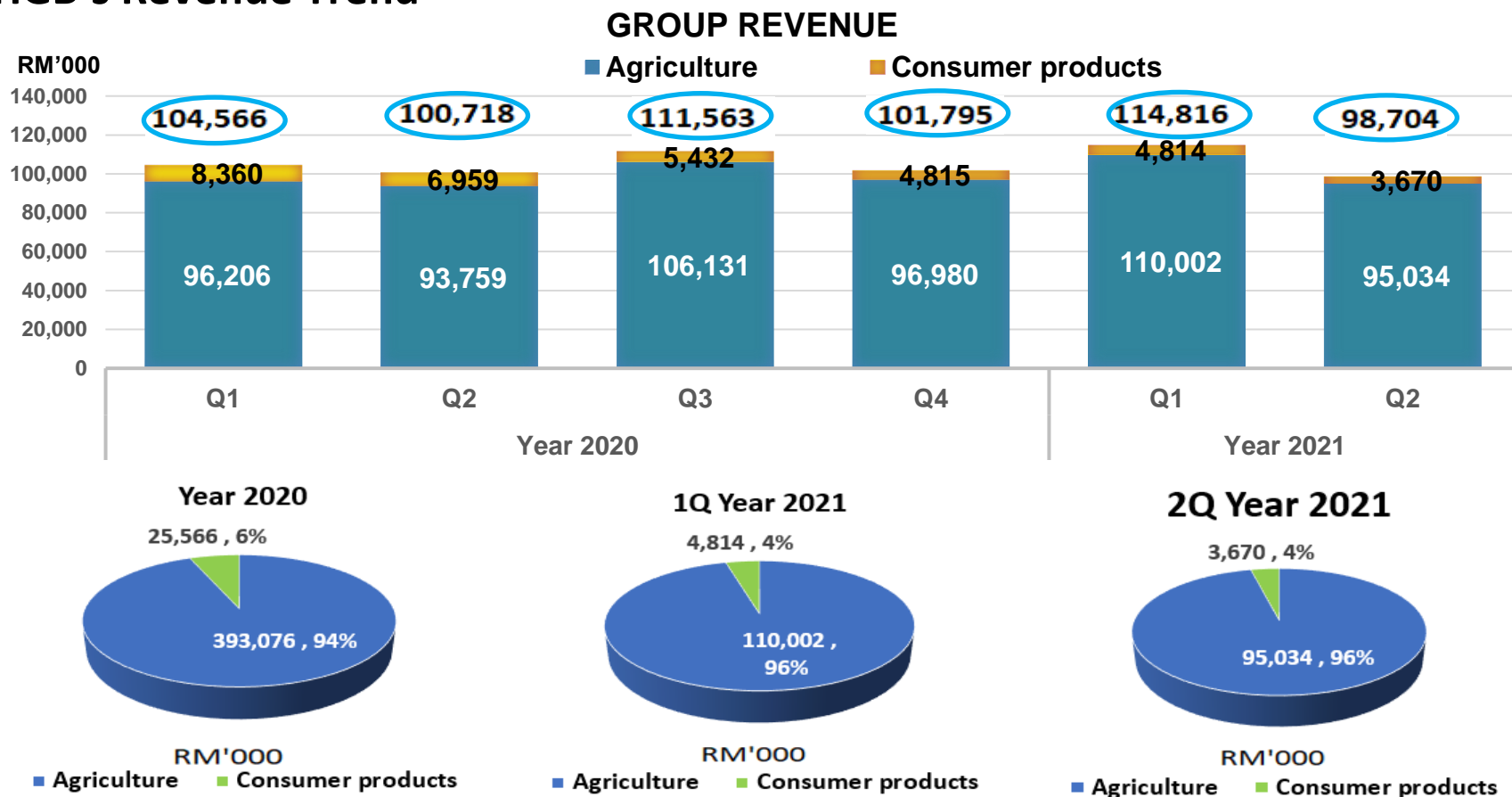


## **2nd Quarter FYE 2021 Results**





## HGB's Revenue Trend



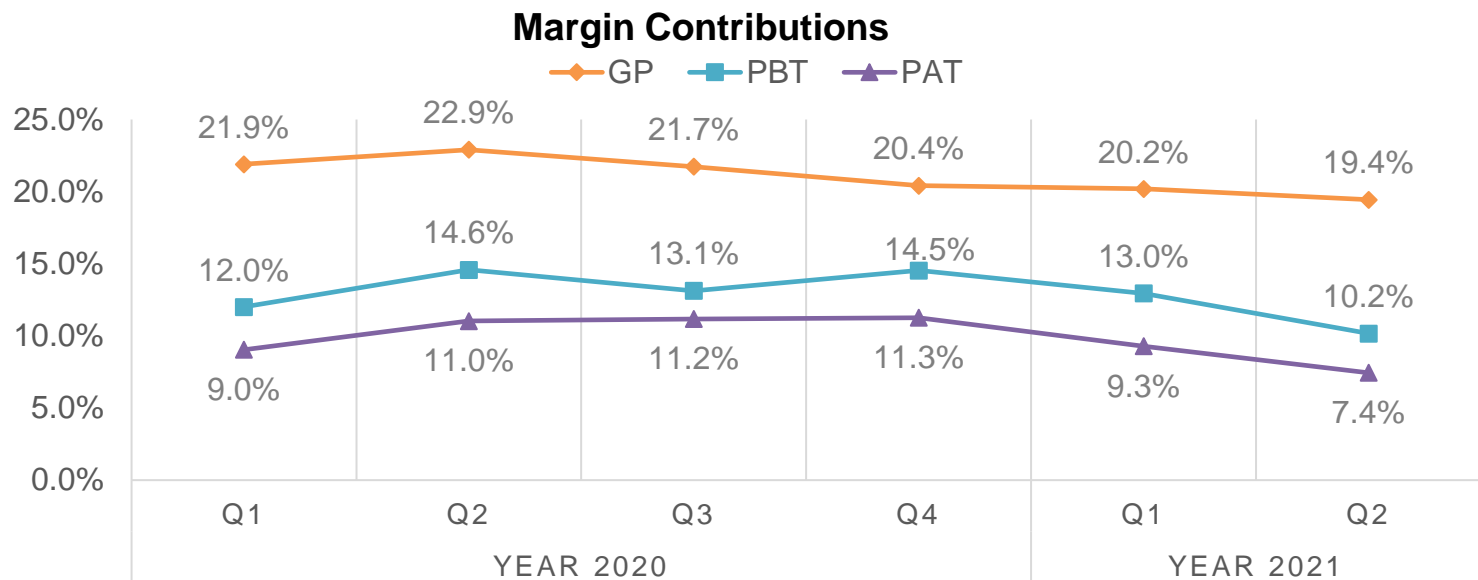
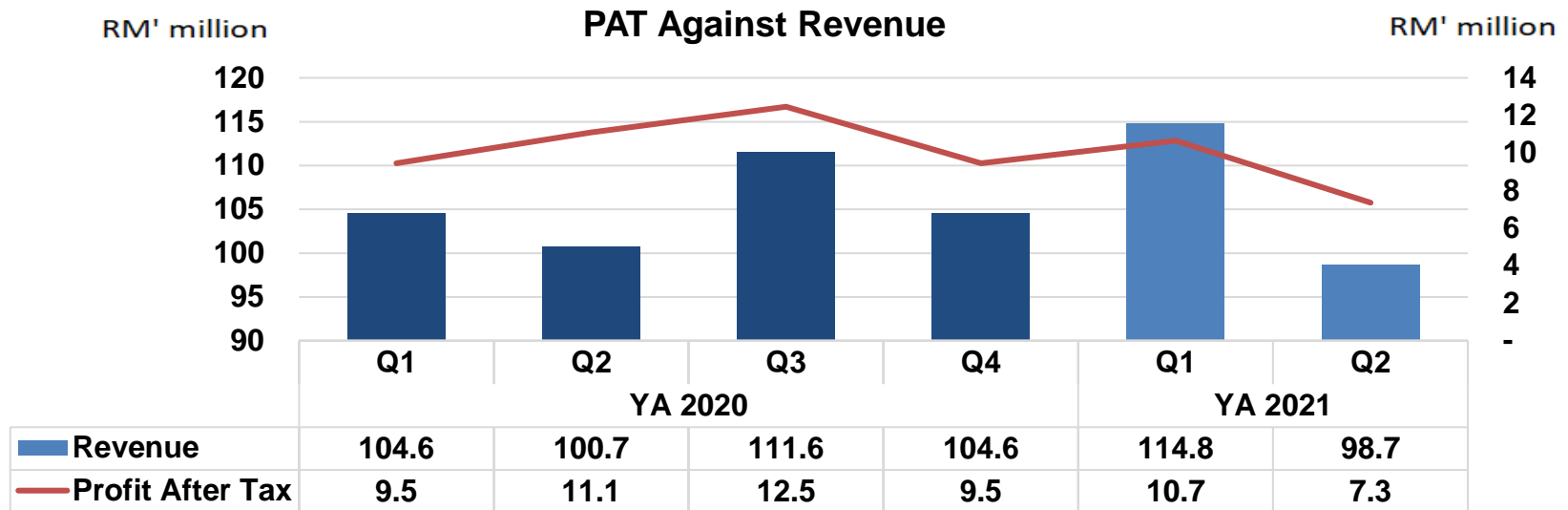
### Agriculture Segment

- main driver of the Group's financial performance
- accounts for circa 95% of the Group's total revenue
- deemed essential services, allowed to operate during the MCO period and faced minimal disruption during FYE 2020 and Q1 2021
- increase in number of product registration also contributed to growth in revenue

### Consumer Products Segment

- improvement of results in FYE2020 was driven by management's continuous efforts on cost rationalisation and strengthening of operational efficiency coupled with focus on boosting of revenues through increasing market share and product development

# Revenue and Profit Trend



## Year-to-Date Performance

	CUMULATIVE QUARTER (6-months)				
	Current	Preceding	Variance		
	Year-to-Date	Year-to-Date			
	30/6/2021	30/6/2020			
	RM'000	RM'000	RM'000	%	
Revenue	213,520	205,284	8,236	4.0%	Agriculture segment remains the main contributor
Cost of sales	(171,146)	(159,295)	(11,851)	7.4%	Increase mainly due to raw material cost esp glyphosate
Gross profit	42,374	45,989	(3,615)	-7.9%	Decrease in GP due to increase in raw material cost, overheads for additional factory space and decrease in contributions from the Consumer Segment
Other income and operating expenses	(17,475)	(18,741)	1,266	-6.8%	
Profit before taxation	24,899	27,248	(2,349)	-8.6%	Savings in finance cost following settlement of a loan taken for a purchase of a property which was disposed in 3Q2020 contributed to profits in 1H2021
Less: Taxation	(6,895)	(6,692)	(203)	3.0%	
Profit after taxation	18,004	20,556	(2,552)	-12.4%	

## Quarter on Quarter Performance

	INDIVIDUAL QUARTER (3-months)				
	Current Year Q2 30/6/2021 RM'000	Current Year Q1 31/3/2021 RM'000	Variance RM'000	%	
Revenue	98,704	114,816	(16,112)	-14.0%	The Consumer Segment continued to be adversely impacted by the MCO coupled with the 60% operating capacity which the Agriculture Segment was required to observe from June 2021
Cost of sales	(79,514)	(91,632)	12,118	-13.2%	
Gross profit	19,190	23,184	(3,994)	-17.2%	
Other income and operating expenses	(9,160)	(8,315)	(845)	10.2%	Attributable to higher selling & marketing expenses incurred by the Consumer Segment and higher expenses relating to corporate transactions
Profit before taxation	10,030	14,869	(4,839)	-32.5%	
Less: Taxation	(2,682)	(4,213)	1,531	-36.3%	
Profit after taxation	7,348	10,656	(3,308)	-31.0%	

## Performance Ratios

	Audited	Unaudited	Unaudited
	2020	1Q 2021	2Q 2021
	RM'000	RM'000	RM'000
Quick ratio	1.55	1.56	1.50
Current ratio	2.49	2.25	2.08
Debt/Equity ratio	0.53	0.61	0.71
Gearing ratio	0.29	0.38	0.50
Return on equity	0.22	0.05	0.14
Return on assets	0.14	0.03	0.08

# HGB's Share Price Movement

Hextar Global Bhd

1.24 MYR

+0.68 (121.43%) ↑ year to date

26 Aug, 4:53 pm MYT · Disclaimer

KLSE: HEXTAR

+ Follow

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



1.24 MYR Thu, 26 Aug

Open	1.26	Mkt cap	1.63B	Prev close	1.26
High	1.27	P/E ratio	38.46	52-wk high	1.39
Low	1.24	Div yield	1.71%	52-wk low	0.38



## **Status of Corporate Proposals**

### **- Diversification into Specialty Chemicals**



# Overview of Acquiree Companies

	Chempro Group Alpha Aim (M) Sdn. Bhd. ("AASB") Chempro Technology (M) Sdn. Bhd. ("CTSB")	Nobel Group Nobel Synthetic Polymer Sdn. Bhd. ("NSPSB") Nobel Scientific Sdn. Bhd. ("NSSB")	ENRA Kimia Group ENRA Kimia Sdn Bhd ("ENRA Kimia") - ENRA Kimia (Australia) Pty.Ltd - ENRA Downstream Services Sdn. Bhd. - ENRA Power Systems Sdn. Bhd. - International Chemicals Engineering Pty.Ltd
Sector	Cleaning chemicals	Rubber industry	Oil and Gas ("O&G")
Products and services	<ul style="list-style-type: none"> <li>High-quality and cost-effective niche specialty chemical products for rubber glove industry, cleaning, hygiene and food industry</li> <li>Site audits and inventory management</li> </ul>	<ul style="list-style-type: none"> <li>Manufacturer and supplier of chemical derivatives, coating and related products</li> <li>High performance proprietary formulations for anti-tack rubber lubricant and coatings for the rubber industry</li> <li>Customers include some of the worlds largest rubber glove manufacturers</li> </ul>	<ul style="list-style-type: none"> <li>One of the largest distributors of specialty chemicals, catalyst and odorants for the O&amp;G industry in Malaysia</li> <li>Exclusive agent to 12 international principals, supplying close to 85 products</li> <li>Licenced to conduct business with the PETRONAS group of companies and oil refineries in Malaysia</li> <li>Ancillary services eg decontamination services, industrial odor neutralization services, gas odorant injection system servicing and refurbishing services and emergency response</li> </ul>
Markets	Asia including Singapore, Malaysia, Thailand, Indonesia, Brunei, Hong Kong, Taiwan and China	Malaysia, Indonesia, Thailand, China, Europe	Malaysia, Australia, New Zealand
Industry forecast growth - Malaysia	Specialty cleaning chemicals - CAGR of 8.8% from RM9.47 bn in 2020 to RM14.29 bn in 2025	Specialty chemicals – CAGR of 6.5% from RM34.64 bn in 2020 to RM49.59 bn in 2025	NA



# Chempro Business Acquisition

Transaction	Acquisition of 100% equity interest in AASB and CTSB		
Rationale	Diversification into manufacturing and distribution of specialty cleaning chemical products		
Consideration	RM138 million to be wholly satisfied in cash		
Basis for determining the purchase consideration	<ul style="list-style-type: none"> <li>• Profit guarantee (as set out below)</li> <li>• Historical financial performance of the acquiree companies</li> <li>• Rationale and benefit of the acquisition</li> <li>• Prospects, potential and growth of the acquiree companies</li> </ul>		
Vendors	<b>AASB</b> <ul style="list-style-type: none"> <li>- Tan Seio Beng</li> <li>- Chan Kwei Ling</li> </ul>	<b>CTSB</b> <ul style="list-style-type: none"> <li>- Wetacho</li> <li>- Tan Seio Beng</li> <li>- Cheok Viping</li> </ul>	
Profit Guarantee provided by the Vendors	Profit after tax of not less than RM13 mn per annum for each of the 3 consecutive years commencing 1 July 2021 to 30 June 2024		
Valuation	PE multiple of 10.62 times based on the profit guarantee of RM13mn per annum  <i>Note:</i> <i>Comparable listed peers ie Luxchem and CCM are currently trading at PE multiples of between 13 to 18 times</i>		
Source of funding	Bank borrowings		RM89,000,000
	Internally generated funds		RM49,000,000
			<b>RM138,000,000</b>
Highest Bursa ratio	69.07% - purchase price / NA of Hextar		
Completion	23 July 2021		

# Proposed Nobel Acquisition

Transaction	Proposed acquisition of 100% equity interest in NSPSB and NSSB	
Rationale	Expand into specialty chemicals for the rubber industry	
Consideration	RM105 million to be wholly satisfied in cash	
Basis for determining the purchase consideration	<ul style="list-style-type: none"> <li>• Profit guarantee (as set out below)</li> <li>• Historical financial performance of the Proposed Nobel Group</li> <li>• Rationale and benefit of the Proposed Nobel Acquisition</li> <li>• Prospects, potential and growth of the Proposed Nobel Group</li> </ul>	
Vendors	<b>NSPSB</b> <ul style="list-style-type: none"> <li>- Marcus Mar Hung Than</li> <li>- Chieng Diing Yaw</li> </ul>	<b>NSSB</b> <ul style="list-style-type: none"> <li>- Marcus Mar Hung Than</li> <li>- Chieng Diing Yaw</li> </ul>
Profit Guarantee provided by the Vendors	Profit after tax of not less than RM14 mn per annum for each of the 3 consecutive years commencing 1 January 2021 to 31 December 2023	
Valuation	PE multiple of 7.5 times based on the profit guarantee of RM14mn per annum  <i>Note:</i> <i>Comparable listed peers ie Luxchem and CCM are currently trading at PE multiples of between 13 to 18 times</i>	
Source of funding	Bank borrowings Internally generated funds	RM55,000,000 RM50,000,000 <b>RM105,000,000</b>
Highest Bursa ratio	52.55% - purchase price / NA of Hextar	
Completion	4 <sup>th</sup> Quarter 2021	

# Proposed ENRA Kimia Acquisition

## Transaction

- Proposed acquisition of 49% equity interest in ENRA Kimia
- Remaining 51% to be acquired by Ekopintar Sdn Bhd, a company partly owned by Dato' Mazlin Junid, the President and Group CEO of ENRA Group Berhad

## Rationale

- Immediate access into the O&G industry in Malaysia, Australia and New Zealand
- Licensed to conduct business with Petronas group of companies as well as Malaysian refining companies

## Consideration

RM24.5 million to be wholly satisfied in cash

## Basis for determining the purchase consideration

- Minimum Net Assets of ENRA Kimia Group of not less than RM29.69 million until completion
- Historical financial performance of ENRA Kimia Group
- Rationale and benefits of the Proposed ENRA Kimia Acquisition
- Prospects, potential and growth of the ENRA Kimia Group

## Vendor

ENRA Energy Sdn Bhd, a wholly-owned subsidiary of ENRA Group Berhad

## Valuation

Implied PE multiple of 39.6 times  
Implied EV/EBITDA OF 8 times

## Historical track record

<b>FYE 31 March</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	104,780	114,759	57,498
Profit Before Tax	11,017	12,067	2,083
Profit After Tax	8,268	8,455	1,261

## Source of funding

Internally generated funds RM24,500,000

## Highest Bursa ratio

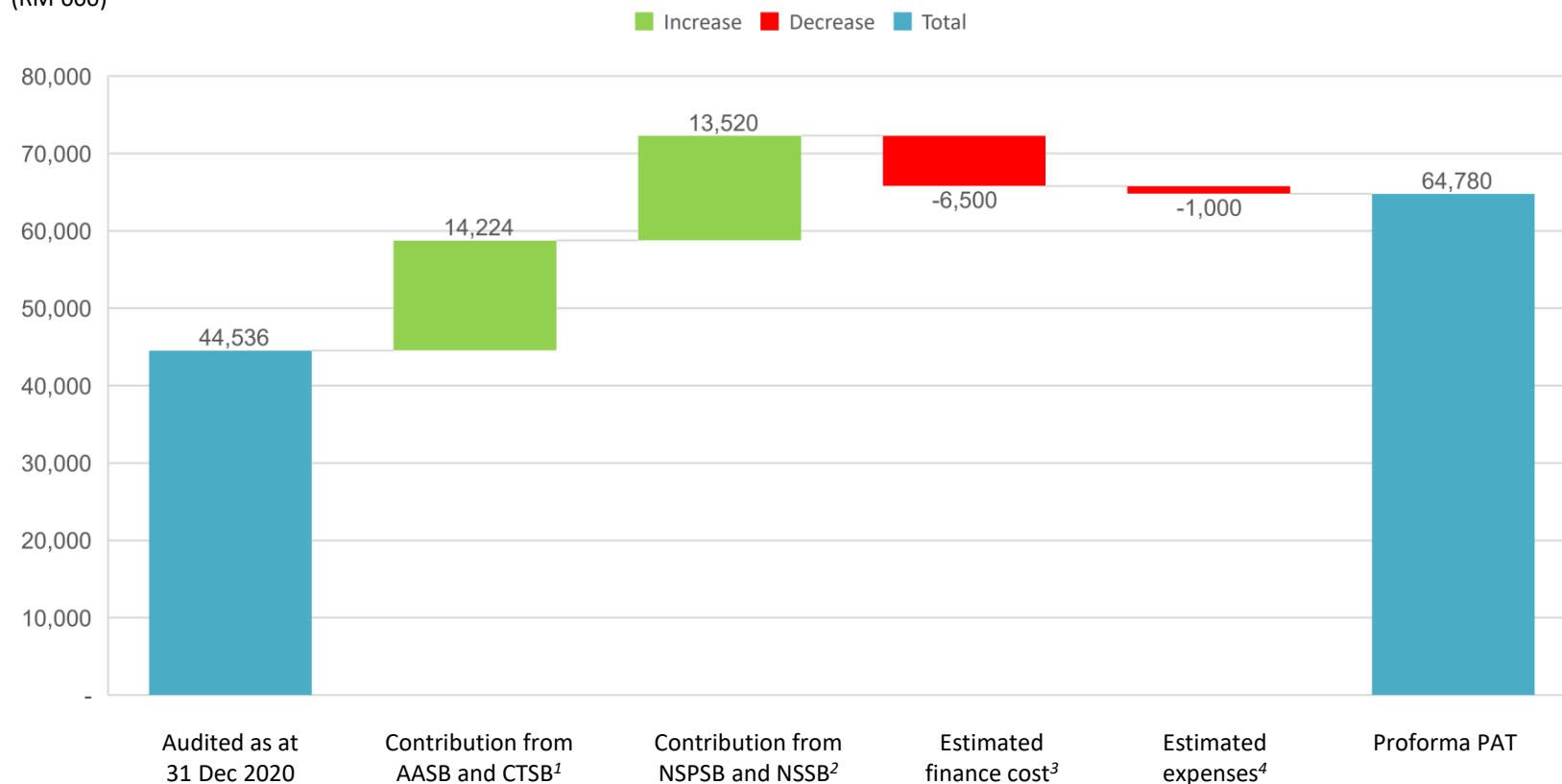
12.26% - purchase price / NA of Hextar

## Completion

4<sup>th</sup> Quarter 2021

# Illustrative effects of the Chempro Business Acquisition and Proposed Nobel Acquisition on Earnings

(RM'000)



## Notes

1. Based on the audited accounts of AASB for financial year ending 31 October 2019 and audited accounts of CTSB for financial year ending 31 March 2020
2. Based on the audited accounts of NSPSB and NSSB for financial year ended 31 December 2020
3. Estimated interest expense based on borrowings of RM89mn and RM55mn respectively to fund the acquisitions
4. Estimated expenses in relation to the Chempro Acquisition and Proposed Nobel Acquisition amounting to RM1mn in total



# **Appendix I**

## **Comparables for ENRA Kimia**



## Extract from ENRA's announcement dated 2 Aug 2021

### COMPARABLE COMPANIES

The Comparable Companies are (i) mainly involved in manufacturing or trading of chemical products (excluding those purely in agricultural, polyvinyl chloride ("PVC") and/or aerosol products) and with more than 75% of their total revenue derived from chemical-related activities based on their respective latest annual reports and (ii) have a market capitalisation of less than RM300 million as at 22 July 2021, being the last trading day before the date of the Letter of Offer ("LTD"). However, these companies may not be directly comparable to ENRA Kimia Group due to various factors which include, amongst others, composition of business activities, size of the businesses, target markets, product offerings, assets base, risk profile and future prospects.

Company	Principal activities	Market capitalisation <sup>(1)</sup>	Last 12 months P/E <sup>(3)</sup>	Last 12 months EV/ EBITDA <sup>(4)</sup>
		RM'mil	Times	Times
Analabs Resources Berhad	Manufactures, formulates, and sells resins, chemicals, and building materials in Singapore and Malaysia	126.4	7.73 <sup>(2)</sup>	6.37 <sup>(2)</sup>
Hexza Corporation Berhad	Manufactures and sells formaldehyde and formaldehyde-based adhesive resins, and glue for wood-related industries primarily in Malaysia.	206.4	16.35	8.01
Karyon Industries Berhad	Manufactures and sells polymeric and oleochemical products for use in various industries in Malaysia.	126.1	26.50	13.09
Nylex (Malaysia) Berhad	Manufactures and sells petrochemicals and industrial chemical products.	150.6	n.a. <sup>(2)</sup>	6.74 <sup>(2)</sup>
Sersol Berhad	Manufactures and sells coatings, thinners, industrial chemicals, paints, chemical solvents, and aluminum and metal products in Malaysia and Thailand.	107.7	500.00 <sup>(2)</sup>	n.a. <sup>(2)</sup>
Techbond Group Berhad	Develops, manufactures, and trades in industrial adhesives and sealants in Malaysia.	267.3	24.05	13.31
		<b>Highest</b>	26.50	13.31
		<b>Median</b>	24.05	13.09
		<b>Lowest</b>	16.35	8.01
ENRA Kimia Group	Supplies specialty chemicals, catalysts and odorants, as well as ancillary services for those products to the O&G and petrochemical industries.	-	39.65 <sup>(5)</sup>	8.02 <sup>(6)</sup>

(Source: S&P Capital IQ as at the LTD)

# Extract from ENRA's announcement dated 2 Aug 2021

## COMPARABLE COMPANIES

### Notes:

- (1) Based on the closing price as at the LTD.
- (2) Outliers.
- (3) Computed based on closing price as at the LTD divided by EPS.
- (4) Computed based on the EV as at the LTD divided by EBITDA.
- (5) Computed based on the Sale Consideration of RM50 million divided by PAT of ENRA Kimia Group of approximately RM1.3 million for the FYE 31 March 2021.
- (6) Computed based on the following:

Sale Consideration (RM' million)	[A]	50.00
<b>Add:</b> Total borrowings of ENRA Kimia Group at 31 March 2021 (RM' million) *	[B]	12.17
<b>Minus:</b> Cash and cash equivalents of ENRA Kimia Group as at 31 March 2021 (RM' million)	[C]	16.66
Implied EV (RM' million)	[D] = [A] + [B] – [C]	45.51
EBITDA of ENRA Kimia Group as at 31 March 2021 (RM' million)	[E]	5.67
<b>Implied EV / EBITDA (times)</b>	<b>[D] / [E]</b>	<b>8.02</b>

\* Exclude lease liabilities



## **Appendix II**



# **Board of Directors and Management Profile**



## Board of Directors



**Y.D.H DATO' SRI DR ERWAN BIN  
DATO' HAJI MOHD TAHIR**

Independent & Non-Executive Chairman



**Y.BHG DATO' ONG SOON HO**

Non-Independent & Non-Executive  
Vice Chairman



**YEOH CHIN HOE**

Senior Independent Non-Executive  
Director



**LIEW JEE MIN @  
CHONG JEE MIN**

Independent & Non-Executive Director



**Y.BHG DATO' ONG CHOO MENG**

Non-Independent Executive Director



**LEE CHOOI KENG**

Non-Independent Executive Director

## Management Team

**Dato' Ong Soon Ho**

Vice Chairman

Dato' Ong Soon Ho is the founder of Hextar Chemicals Sdn Bhd and is responsible for Hextar Group's growth and development since its commencement. He graduated with a Bachelor's Degree in Plant Pathology and Entomology from the National Taiwan University. He then obtained a Master's Degree in Mycology from University of Aberdeen, Scotland, United Kingdom. His professional experience includes being part of the senior management team in a multinational corporation coupled with his experience in the agricultural industry of more than 30 years.

**Dato' Eddie Ong**

Non-Independent Executive  
Director

Hextar Global Berhad  
Group Managing Director /  
Group CEO  
Hextar Group of Companies

Dato' Eddie Ong is a highly competent and professional business leader with over eighteen years of experience in senior management positions and is responsible for the overall finance, business, corporate development and expansion strategies of the Hextar Group of Companies. Dato' Eddie holds a Bachelor's Degree in Business majoring in Business Finance and Investment from the Royal Melbourne Institute of Australia. Dato' Eddie's working experience includes managing a group of companies, strategising and driving business plans and directing the business growth of the group. He has been in the agriculture industry for more than 10 years specialising in finance and investment activities.

**Mdm Lee Chooi Keng**

Non-Independent Executive  
Director  
Hextar Global Berhad

Madam Lee is currently responsible for the overall development and business operations of the Hextar Group. After graduating with a Bachelor of Science degree majoring in Chemistry, Madam Lee started out as a chemist before gaining further experience in a senior management position in the private sector. She has more than 40 years experience in the agrochemical industry.

**Lo Ngen Loi**

Managing Director  
Agriculture Division

Mr Lo is responsible for Hextar Group's marketing development and strategies for the Agriculture division. Mr Lo holds a Bachelor of Science, majoring in Chemistry and Botany. He has over 30 years of experience in the agrochemicals industry including as a product specialist for the regional market as well as marketing and portfolio management of agrochemicals for multinational corporations.

## Management Team

**Chen Sen Loon**

Executive Director  
Agriculture Division

Mr Chen is responsible for driving the Agriculture business operations performance. He oversees the overall operations of Halex (M) Sdn Bhd and Hextar Chemicals Sdn Bhd and its subsidiaries. Mr Chen joined Halex Industries (M) Sdn Bhd in 1992 as a chemist and was promoted as Production Manager in 1993. He was appointed as General Manager in 2001 and was responsible for the agrochemicals manufacturing and export divisions. He was appointed as an Executive Director on the Board of Halex Holdings Berhad in 2014 and was subsequently appointed as the Managing Director in 2015. He left Halex in October 2015 and joined Hextar Chemicals Sdn Bhd. Mr Chen graduated with a degree in Chemistry (Honours) from University Kebangsaan Malaysia and obtained his Master in Business Administration from Heriot-Watt University, UK. Mr Chen has over 25 years of experience in the agrochemical industry as a chemist and part of the senior management team.

**Dr Lee Leng Choy**

Managing Director  
Research and Development  
Division

Dr. Lee is currently responsible for Hextar Group's Research and Development operations and technical matters. Dr. Lee holds a Bachelor Degree in Entomology and a Ph.D. in urban entomology and biochemistry. He comes from a research and development background with a strong foundation in regulatory compliance of crop protection. Dr. Lee has over 18 years of experience in the industry and has published more than 20 peer reviewed publications and presented over 35 papers at scientific meetings.

**Chiam Long Chai**

Executive Director  
Consumer Products Division

Mr Chiam is responsible for the Consumer Products business operations and growth. Mr Chiam holds a degree in Business Studies majoring in Finance. He has more than 20 years experience in the industrial chemical industry focusing on administration, marketing and supply chain management.

**Lian Dazhi**

Managing Director  
Biogas Engineering Division

Ms. Lian is responsible for driving the Biogas business operations performance. Ms. Lian holds a degree in Automatic Specialised Control from China Chongqing University. She has over 20 years of experience in methane project application technology, computer control system and the electrical machinery. Her previous working experience includes being an Engineer in the Chinese Academy of Science Computer Application Research Institute and Chinese Sichuan Ecology Resources Environmental Protection Research Institute, General Manager with Lanke Medical Service research center and Assistant General Manager with China Sichuan Technical Investment Limited Company.

## Management Team

**Phan Nee Chin**

Financial Controller

Group Finance Department

Ms. Phan was appointed as our Financial Controller on 16 March 2020. She holds a Bachelors Degree (Accounting) from University of Malaya and is a Chartered Accountant with the Malaysian Institute of Accountants. Ms Phan has over 18 years of professional and commercial working experience in the areas of auditing, accounting, finance and administration. She began her career with a local medium size accounting firm and has held several senior finance positions in a number of companies, both private and public listed companies before joining the Hextar Group.



## Appendix III



# Financial Information of HGB

	30/6/2021	31/12/2020
	RM'000	RM'000
<b>Non-current assets</b>		
Property, plant and equipment	40,387	41,393
Investment properties	5,789	9,733
Investment in joint venture	1,273	3,513
Right-of-use assets	19,548	20,162
Intangible assets	13,988	14,136
Other receivables	60	60
Prepayment	1,582	2,244
<b>Total non-current assets</b>	<b>82,627</b>	<b>91,241</b>
<b>Current assets</b>		
Inventories	76,940	81,118
Trade receivables	133,628	102,800
Other receivables, deposits and prepayments	33,912	8,395
Amount owing by related companies	-	5,616
Dividend receivable	2,485	-
Current tax assets	499	243
Cash and bank balances	28,941	17,325
<b>Total current assets</b>	<b>276,405</b>	<b>215,497</b>
<b>Asset classified as held for sale</b>	<b>3,944</b>	<b>310</b>
<b>TOTAL ASSETS</b>	<b>362,976</b>	<b>307,048</b>
<b>Equity</b>		
Share capital	169,913	169,913
Exchange reserve	(6)	-
Retained profits	34,176	22,477
Equity attributable to owners of the Company	204,083	192,390
Non-controlling interests	1,280	1,472
<b>TOTAL EQUITY</b>	<b>205,363</b>	<b>193,862</b>
<b>Non-current liabilities</b>		
Borrowings	9,885	11,881
Deferred tax liabilities	7,320	7,257
<b>Total non-current liabilities</b>	<b>17,205</b>	<b>19,138</b>
<b>Current liabilities</b>		
Trade payables	23,238	24,835
Other payables and accruals	5,148	7,127
Amount owing to related companies	-	5
Amount owing to a joint venture	901	1,238
Borrowings	96,185	47,011
Current tax liabilities	7,599	6,434
<b>Total current liabilities</b>	<b>133,071</b>	<b>86,650</b>
<b>TOTAL LIABILITIES</b>	<b>150,276</b>	<b>105,788</b>
Net assets per share (RM)	0.16	0.15 <sup>^</sup>

Net assets per share (RM) <sup>^</sup> Restated to reflect the effect of bonus issue

Income Statements

	30/6/2021	30/6/2020
	RM'000	RM'000
<b>Cummulative 6 months results</b>		
Revenue	213,520	205,284
Cost of sales	(171,146)	(159,295)
Gross profit	42,374	45,989
Other income	1,456	1,799
Selling and marketing expenses	(5,542)	(5,473)
Administrative and other expenses	(12,762)	(13,085)
Finance costs	(872)	(2,228)
Share of results of joint venture	245	246
Profit before taxation	24,899	27,248
Less: Taxation	(6,895)	(6,692)
Profit after taxation	18,004	20,556
Other comprehensive expenses:-		
Foreign currency translation differences	(6)	(3)
Other comprehensive expenses for the financial period	(6)	(3)
Total comprehensive income for the financial period	17,998	20,553
Profit for the financial period		
attributable to:		
- Owners of the Parent	18,196	20,556
- Non-controlling interests	(192)	-
	18,004	20,556

Cash Flow Statements

	30/6/2021	30/6/2020
	RM'000	RM'000
Net cash used in operating activities	(28,240)	20,816
Net cash for investing activities	(15)	(731)
Net cash from/(for) financing activities	39,794	(13,189)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>11,539</b>	<b>6,896</b>
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>	<b>77</b>	<b>(3)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>17,280</b>	<b>29,435</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>28,896</b>	<b>36,328</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Deposits with licensed banks	120	120
Cash and bank balances	28,821	36,328
	28,941	36,448
Less: Deposits pledged to licensed banks	(45)	(120)
	28,896	36,328

## Income Statements

## Cash Flow Statements



**THANK YOU**



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