



TOMEI CONSOLIDATED BERHAD 200501015912 (692959-W)
(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2020**

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2020	30/9/2019	30/9/2020	30/9/2019
	RM'000	RM'000	RM'000	RM'000
Revenue	180,631	118,724	384,560	397,567
Cost of sales	(132,802)	(85,677)	(280,828)	(298,647)
Gross profit	47,829	33,047	103,732	98,920
Other income	527	791	2,276	3,269
Selling and distribution expenses	(20,114)	(20,305)	(53,724)	(63,983)
Administrative expenses	(5,689)	(6,539)	(15,748)	(19,265)
Other expenses	(289)	(462)	(802)	(893)
Profit from operations	22,264	6,532	35,734	18,048
Finance costs	(2,431)	(3,038)	(7,946)	(8,722)
Profit before tax	19,833	3,494	27,788	9,326
Tax expense	(6,552)	(1,325)	(8,698)	(2,897)
Profit for the financial period	13,281	2,169	19,090	6,429
Profit attributable to:-				
Owners of the parent	13,604	2,083	19,501	6,064
Non-controlling interests	(323)	86	(411)	365
	13,281	2,169	19,090	6,429
Earnings per ordinary share attributable to equity holders of the parent (sen):-				
Basic earnings per share	9.82	1.50	14.07	4.38
Diluted earnings per share *	N/A	N/A	N/A	N/A

* Not applicable

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2020
(Cont'd)**

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30/9/2020	30/09/2019	30/9/2020	30/09/2019
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	13,281	2,169	19,090	6,429
Foreign currency translations	551	96	578	(363)
Total comprehensive income	<u>13,832</u>	<u>2,265</u>	<u>19,668</u>	<u>6,066</u>
Profit attributable to:-				
Owners of the parent	14,155	2,179	20,079	5,701
Non-controlling interests	<u>(323)</u>	<u>86</u>	<u>(411)</u>	<u>365</u>
	<u>13,832</u>	<u>2,265</u>	<u>19,668</u>	<u>6,066</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020**

	As At 30/09/2020 RM'000	As At 31/12/2019 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	12,751	14,968
Right-of-use asset	17,027	30,633
Deferred tax assets	1,087	1,087
	<u>30,865</u>	<u>46,688</u>
Current assets		
Inventories	388,360	356,262
Trade and other receivables	37,862	23,562
Cash and bank balances	9,178	19,099
	<u>435,400</u>	<u>398,923</u>
TOTAL ASSETS	<u>466,265</u>	<u>445,611</u>
EQUITY AND LIABILITIES		
Share capital	73,336	73,336
Reserves	156,318	136,239
Equity attributable to owners of the parent	<u>229,654</u>	<u>209,575</u>
Non-controlling interests	4,207	4,618
TOTAL EQUITY	<u>233,861</u>	<u>214,193</u>
LIABILITIES		
Non-current liabilities		
Borrowings	676	741
Deferred tax liabilities	92	92
Lease liabilities	5,650	12,544
Other payables	560	560
	<u>6,978</u>	<u>13,937</u>
Current Liabilities		
Trade and other payables	23,095	27,327
Borrowings	181,356	171,786
Current tax liabilities	7,885	390
Lease liabilities	13,090	17,978
	<u>225,426</u>	<u>217,481</u>
TOTAL LIABILITIES	<u>232,404</u>	<u>231,418</u>
TOTAL EQUITY AND LIABILITIES	<u>466,265</u>	<u>445,611</u>
Net assets per share (RM)	1.69	1.55

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE
QUARTER ENDED 30 SEPTEMBER 2020**

-----Attributable To Owners Of The Parent-----

---Non Distributable--- Distributable

	Exchange Share Capital RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2020	73,336	1,257	134,982	209,575	4,618	214,193
Profit for the financial period	-	-	19,501	19,501	(411)	19,090
Transaction with owners:-						
- Foreign currency translations, net of tax	-	578	-	578	-	578
Balance as at 30 September 2020	73,336	1,835	154,483	229,654	4,207	233,861

-----Attributable To Owners Of The Parent-----

---Non Distributable--- Distributable

	Exchange Share Capital RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Balance as at 1 January 2019	73,336	1,728	127,611	202,675	4,187	206,862
Profit for the financial period	-	-	6,064	6,064	365	6,429
Transaction with owners:-						
- Dividend paid	-	-	(1,386)	(1,386)	-	(1,386)
- Foreign currency translations, net of tax	-	(363)	-	(363)	-	(363)
- Disposal of shares to non-controlling interest	-	-	18	18	(3)	15
Balance as at 30 September 2019	73,336	1,365	132,307	207,008	4,549	211,557

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 30 SEPTEMBER 2020**

	9 months ended 30/9/2020	9 months ended 30/9/2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	27,788	9,326
Adjustments for:-		
Depreciation of right-of-use asset	13,525	10,470
Depreciation of property, plant and equipment	4,104	4,468
Provision for impairment of receivables	156	113
Property, plant and equipment written off	3	377
Gain on disposal of property, plant and equipment	-	(132)
Reversal of impairment loss on receivables	-	(68)
Net unrealised (gain)/loss on gold price fluctuation and foreign exchange	(39)	65
Finance costs	7,946	8,722
	<hr/>	<hr/>
Operating profit before changes in working capital	53,483	33,341
Inventories	(32,098)	(16,787)
Trade and other receivables	(13,910)	(27,427)
Trade and other payables	(4,462)	24,642
	<hr/>	<hr/>
Cash generated from operations	3,013	13,769
Interest paid	(6,853)	(7,286)
Tax paid	(1,275)	(1,328)
Tax refunded	72	1,618
Net cash (used in)/from operating activities	<hr/> (5,043) <hr/>	<hr/> 6,773 <hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,978)	(4,073)
Proceeds from disposal of property, plant and equipment	-	135
Net cash used in investing activities	<hr/> (1,978) <hr/>	<hr/> (3,938) <hr/>

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER
ENDED 30 SEPTEMBER 2020 (Cont'd)**

	9 months ended 30/9/2020 RM'000	9 months ended 30/9/2019 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(66)	(200)
Dividend paid	-	(1,386)
Net repayments of term loans	(312)	(692)
Net drawdown/(repayments) of short term borrowings	10,527	(11,511)
Net repayments of hire-purchase liabilities	-	-
Payments of lease liabilities	(12,456)	(638)
Net cash used in financing activities	<u>(2,307)</u>	<u>(14,427)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	(9,328)	(11,592)
CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD		
	(9,451)	(16,627)
EFFECT OF EXCHANGE RATES CHANGES		
	117	48
CASH & CASH EQUIVALENTS AT END OF FINANCIAL PERIOD		
	<u><u>(18,662)</u></u>	<u><u>(28,171)</u></u>
Represented by:-		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	9,178	9,340
Bank overdrafts	(27,840)	(37,511)
	<u><u>(18,662)</u></u>	<u><u>(28,171)</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019. The accompanying notes form an integral part of this statement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

The interim financial report is unaudited and is prepared in accordance with the MFRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements and should be read together with the Group's Audited Financial Statement for the year ended 31 December 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

At the date of authorisation of these interim financial statements, the following Standards of the MFRS Framework has been issued by the Malaysia Accounting Standards Board:

Title	Effective Date
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020
<i>MFRS 17 Insurance Contracts</i>	1 January 2021
<i>Amendments to MFRS 101 Classification of Liabilities as Current or Non-Current</i>	1 January 2022
<i>Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group is in the process of assessing the impact of implementing these Standards.

3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report for the preceding financial year ended 31 December 2019 was issued without any qualification.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's business traditionally picks up during the major festive seasons in Malaysia.

5. UNSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

The Government has implemented the Movement Control Order ('MCO') for the period from 18 March 2020 to 9 June 2020 in a bid to contain the spread of the Covid-19 pandemic. This restriction prohibits all government and private premises from operating except those providing essential service. As a result, all shopping malls across Malaysia were temporary closed. However, the MCO was conditionally relaxed from 4 May 2020 which approved of almost all businesses to reopen on condition that such businesses must put in place and observe strictly the relevant standard operating procedures. The opening of economy is further relaxed in the Recovery MCO phase which started on 10 June 2020 and expected to end by 31 December 2020. Due to the spike in positive cases since the month of October 2020, the Government has announced the Enhanced MCO in several districts in Sabah while a Conditional MCO is being put in place in the Selangor, Kuala Lumpur and Putrajaya.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)

6. CHANGES IN ESTIMATES

There were no material changes in the estimates used for the preparation of this interim financial report.

7. CAPITAL MANAGEMENT, ISSUANCES, REPURCHASES AND REPAYMENTS OF DEBTS AND EQUITY INSTRUMENTS

The Group’s objectives of managing capital are to safeguard the Group’s ability to continue in operations as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Group may, from time to time, adjust the dividend payout to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

For capital management purposes, the Group considers shareholders’ equity, non-controlling interests and net debt to be the key components in the Group’s capital structure. The Group monitors capital on the basis of net gearing ratio. The ratio is calculated as the total debt net of cash and cash equivalents to total equity. Total equity is the sum of total equity attributable to shareholders and non-controlling interests. The net gearing ratios as at 30 September 2020 and 30 September 2019, which are within the Group’s objectives for capital management, are as follows:-

	30/9/2020	30/9/2019
	<u>RM’000</u>	<u>RM’000</u>
Total debt net of cash and cash equivalents	172,854	185,844
Total equity	233,861	211,557
Net gearing ratio	0.74	0.88

The Group reported net gearing ratio of 0.74 as at 30 September 2020, decreased by 0.14 compared to 30 September 2019.

8. DIVIDEND PAID

No dividend was paid during the current quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)
9. OPERATING SEGMENTAL INFORMATION – MFRS 8

The Group has two reportable segments that are based on information reported internally to the Group Managing Director. The reportable segments are summarised as follows:-

- Manufacturing & Wholesales
- Retail

The segment information for the current financial period is as follows:-

Results for financial period ended 30 September 2020	Manufacturing & Wholesales RM'000	Retail RM'000	Total RM'000
Revenue			
Total sales	144,649	282,371	427,020
Inter-segment sales	(16,521)	(25,939)	(42,460)
External sales	128,128	256,432	384,560
Results			
Profit before tax	10,335	17,453	27,788
Tax expense	(3,328)	(5,370)	(8,698)
Profit for the period	7,007	12,083	19,090
Non-controlling interest			411
Profit attributable to owners of the parent			19,501
Assets and liabilities as at 30 September 2020			
Assets			
Segment assets	90,540	374,638	465,178
Unallocated assets	-	-	1,087
Total assets	-	-	466,265
Liabilities			
Segment liabilities	26,049	198,378	224,427
Unallocated liabilities	-	-	7,977
Total liabilities	-	-	232,404

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont’d)
9. OPERATING SEGMENTAL INFORMATION – MFRS 8 (Cont’d)

Results for financial period ended 30 September 2019	Manufacturing & Wholesales RM’000	Retail RM’000	Total RM’000
Revenue			
Total sales	127,932	306,951	434,883
Inter-segment sales	(17,843)	(19,473)	(37,316)
External sales	110,089	287,478	397,567
Results			
Profit before tax	5,680	3,646	9,326
Tax expense	(1,391)	(1,506)	(2,897)
Profit for the period	4,289	2,140	6,429
Non-controlling interest			(365)
Profit attributable to owners of the parent			6,064
Assets and liabilities as at 30 September 2019			
	Manufacturing & Wholesales RM’000	Retail RM’000	Total RM’000
Assets			
Segment assets	74,422	357,010	431,432
Unallocated assets	-	-	1,655
Total assets	-	-	433,087
Liabilities			
Segment liabilities	22,335	198,557	220,892
Unallocated liabilities	-	-	638
Total liabilities	-	-	221,530

10. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment has been brought forward without any amendments from the previous Audited Financial Statements of the Group.

11. SIGNIFICANTS EVENTS DURING THE CURRENT QUARTER

The World Health Organisation declared the 2019 Novel Coronavirus outbreak (‘COVID-19’) a pandemic on 11 March 2020. This was followed by our Government issuing a Gazetted Order known as the Movement Control Order (‘MCO’) effective from 18 March 2020 to 31 March 2020. The MCO was subsequently extended until 12 May 2020, followed by a Conditional MCO until 9 June 2020 and a Recovery MCO until 31 December 2020. Due to the spike in positive cases since the month of October 2020, the Government has announced the Enhanced MCO in several districts in Sabah while a Conditional MCO is being put in place in the Selangor, Kuala Lumpur and Putrajaya.

The implementation of the Enhanced MCO in several districts in Malaysia and the recent re-introduction of Conditional MCO in the state of Selangor, Kuala Lumpur and Putrajaya since 14 October 2020 has severely disrupted our operations in the affected locations. Even though our retail outlets are allowed to operate in the Conditional MCO areas, many shoppers tend to avoid shopping malls for fear of being infected with the virus.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (Cont'd)

12. CHANGES IN COMPOSITION OF THE GROUP

On 25 August 2020, the Company has incorporated a wholly-owned subsidiary company, GPM Refinery Sdn. Bhd. with paid up share capital of RM2.

On 2 September 2020, the Company has incorporated a wholly-owned subsidiary company, Go Gold Shop Sdn. Bhd. with paid up share capital of RM2.

Other than the above, there were no changes to the composition of the Group for the financial period.

13. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets which have arisen since the last annual reporting date as at 31 December 2019.

14. COMMITMENTS

Except as disclosed below, there were no other material commitments as at 30 September 2020:-

Capital commitments

Capital expenditure in respect of purchase of property, plant and equipment.

Approved but not contracted for

RM'000
3,590

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**
15. PERFORMANCE REVIEW
Comparison with previous year's corresponding quarter and financial year to-date

	Individual Quarter			
	3 months ended		Variance	
	30/9/2020 RM'000	30/9/2019 RM'000	RM'000	Percentage
Sales				
Retail	110,648	83,170	27,478	33%
Manufacturing & wholesales	69,983	35,554	34,429	97%
Total	180,631	118,724	61,907	52%
Profit before tax				
Retail	14,826	387	14,439	3,731%
Manufacturing & wholesales	5,007	3,107	1,900	61%
Total	19,833	3,494	16,339	468%
	Year-to-date			
	9 months ended		Variance	
	30/9/2020 RM'000	30/9/2019 RM'000	RM'000	Percentage
Sales				
Retail	256,432	287,478	(31,046)	-11%
Manufacturing & wholesales	128,128	110,089	18,039	16%
Total	384,560	397,567	(13,007)	-3%
Profit before tax				
Retail	17,453	3,646	13,807	379%
Manufacturing & wholesales	10,335	5,680	4,655	82%
Total	27,788	9,326	18,462	198%

The Group reported a 52% increase in revenue to RM180.631 million for the current quarter ended 30 September 2020 in comparison to RM118.724 million recorded in the previous year's corresponding quarter mainly contributed by the higher sales volume and selling price in both the operating segments. As a result, and due to better gross profit margin, the Group reported higher profit before tax ("PBT") of RM19.833 million compared to RM3.494 million reported in previous year's corresponding quarter.

For the financial year to-date, the Group reported total revenue and PBT of RM384.560 million and RM27.788 million respectively.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
15. PERFORMANCE REVIEW (Cont'd)
Comparison with previous year's corresponding quarter and financial year to-date (cont'd)
Retail Segment

The retail segment reported revenue of RM110.648 million for the current quarter compared to RM83.170 million in the previous year's corresponding quarter, an increase of 33% due to better sales volume and higher selling price. Many customers bought gold jewellery during the Hari Raya Aidil Adha celebration which falls during the current quarter. As a result, the retail segment reported a PBT of RM14.826 million compared to PBT of RM0.387 million last year.

For the financial year to-date, the retail segment reported total revenue and PBT of RM256.432 million and RM17.453 million respectively.

Manufacturing & Wholesales segment ("M&W")

During the current quarter, the M&W reported revenue of RM69.983 million, almost doubled its revenue reported in the previous year's corresponding quarter. As a result, and due to higher selling price, the M&W reported a better PBT of RM5.007 million compared to RM3.107 million last year.

For the financial year to-date, the M&W reported total revenue and PBT of RM128.128 million and RM10.335 million respectively.

Comparison with preceding quarter

	3 months ended		Variance	
	30/9/2020 RM'000	30/6/2020 RM'000	RM'000	Percentage
Revenue				
Retail	110,648	51,654	58,994	114%
Manufacturing & wholesales	69,983	24,475	45,508	186%
Total	180,631	76,129	104,502	137%

	3 months ended		Variance	
	30/9/2020 RM'000	30/6/2020 RM'000	RM'000	Percentage
Profit/(loss) before tax				
Retail	14,826	(848)	15,674	N/A
Manufacturing & wholesales	5,007	3,388	1,619	48%
Total	19,833	2,540	17,293	681%

The Group reported an increase in revenue to RM180.631 million for the current quarter ended 30 September 2020 in comparison to RM76.129 million recorded in the preceding quarter. Due to the lockdown from 18 March 2020 to 3 May 2020, all our operations were totally shutdown during this period which resulted in lower revenue reported in the preceding quarter. As a result of higher sales volume and higher selling price, the Group reported a PBT of RM19.833 million compared to RM2.540 million reported in the preceding quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
15. PERFORMANCE REVIEW (Cont'd)
Comparison with preceding quarter (cont'd)
Retail Segment

The retail segment reported revenue of RM110.648 million for the current quarter compared to RM51.654 million in the preceding quarter. As a result, the retail segment reported a PBT of RM14.826 million compared to a Loss before tax of RM0.848 million in the preceding quarter.

Manufacturing & Wholesales segment (“M&W”)

During the current quarter, the M&W reported revenue of RM69.983 million compared to RM24.475 million in the preceding quarter. As a result, the M&W reported a better PBT of RM5.007 million compared to RM3.388 million in the preceding quarter.

16. COMMENTARY ON PROSPECTS

The Government has announced the implementation of the Conditional MCO in the state of Selangor, Kuala Lumpur and Putrajaya since 14 October 2020 as a measure to contain and break the chain of infection of the virus. Businesses are allowed to operate with strict compliance to the Standard Operating Procedures as prescribed by the Ministry of Health, Malaysia. In view of this, we notice that customer traffic flows in the shopping malls has decreased significantly. Should this condition prolonged, our business could be severely affected.

The Group will continue to monitor the current situation and take necessary measures to sustain its operation.

PROFIT FORECAST OR PROFIT GUARANTEE
17.

The Group has not provided any profit forecast or profit guarantee in any public document during the current financial period.

18. TAX EXPENSE

	Individual Quarter		Year-to-date	
	30/9/2020 RM'000	30/9/2019 RM'000	30/9/2020 RM'000	30/9/2019 RM'000
Current taxation	6,115	884	8,261	2,456
Under provision	437	441	437	441
	<u>6,552</u>	<u>1,325</u>	<u>8,698</u>	<u>2,897</u>

The effective tax rate of the Group for the current financial period is higher than statutory tax rate as some of its subsidiary companies are in loss making position.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
19. CORPORATE PROPOSALS

There were no corporate proposals undertaken by the Group during the financial period.

20. BORROWINGS AND DEBT SECURITIES

As at 30 September 2020, the Group has total borrowings of RM182.032 million, all of which are unsecured and denominated in Ringgit Malaysia.

	RM'000
Current	181,356
Non-current	676
	<u>182,032</u>

21. DERIVATIVE ASSETS

As at 30 September 2020, the Group does not have any outstanding derivative assets or liabilities.

22. CHANGES IN MATERIAL LITIGATIONS

No material litigation has arisen since 31 December 2019.

23. DIVIDEND PAYABLE

The Directors do not recommend any payment of dividend for the current quarter.

24. EARNINGS PER ORDINARY SHARE

The basic earnings per share is calculated by dividing the net profit for the financial period by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Year-to-date	
	3 months ended		9 months ended	
	30/9/2020	30/9/2019	30/9/2020	30/9/2019
	RM'000	RM'000	RM'000	RM'000
Consolidated profit for the financial period attributable to equity holders of the parent	13,604	2,083	19,501	6,064
Weighted average number of ordinary shares in issue ('000)	138,600	138,600	138,600	138,600
Basic earnings per share (sen)	9.82	1.50	14.07	4.38
Diluted earnings per share	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

There is no diluted earnings per share as the Company does not have any convertible financial instruments in issue.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2020**

(The figures have not been audited)

**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (Cont'd)**
25. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):-

	Individual Quarter		Year-to-date	
	3 months ended		9 months ended	
	30/9/2020	30/9/2019	30/9/2020	30/9/2019
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	1,626	1,612	4,104	4,468
Depreciation of right-of-use asset	4,060	4,805	13,525	10,470
Finance costs	2,431	3,038	7,946	8,722
Property, plant and equipment written off	3	107	3	377
Provision for impairment of receivables	156	113	156	113
Gain on disposal of property, plant and equipment	-	-	-	(132)
Reversal of impairment loss on receivables	-	(68)	-	(68)
Gain on gold price fluctuation and foreign exchange	(263)	(94)	(782)	(1,322)

By Order of the Board

Secretary

Teoh Kok Jong (LS 04719/PC No. 201908001451)

Dated: 2 November 2020