



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2020

	Individual Quarter		Cumulative Quarter	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Revenue	19,826	22,344	19,826	22,344
Cost of sales	(17,898)	(20,537)	(17,898)	(20,537)
Gross profit	1,928	1,807	1,928	1,807
Other income	713	448	713	448
Expenses	(2,086)	(1,902)	(2,086)	(1,902)
Profit from operation	555	353	555	353
Finance costs	(1,000)	(1,210)	(1,000)	(1,210)
Loss before taxation	(445)	(857)	(445)	(857)
Taxation	(1)	110	(1)	110
Loss net of tax, representing total comprehensive loss for the period	(446)	(747)	(446)	(747)
Total comprehensive loss attributable to:				
- Equity holders of the Company	(446)	(747)	(446)	(747)
- Non-controlling interest	-	-	-	-
	(446)	(747)	(446)	(747)
Loss per share (Sen) attributable to equity holders of the Company:				
- Basic	(0.25)	(0.42)	(0.25)	(0.42)
- Diluted	N/A	N/A	N/A	N/A

Notes:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statement.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
31 MARCH 2020**

	Unaudited As at 31 March 2020 RM'000	Audited As at 31 December 2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	67,090	64,068
Right-of-use assets	24,269	24,560
Deferred tax assets	31	31
	91,390	88,659
Current assets		
Inventories	107,675	106,081
Trade and other receivables	49,938	47,815
Tax recoverable	1,893	1,715
Other investments	1,059	1,050
Cash and bank balances	12,606	14,337
	173,171	170,998
Total Assets	264,561	259,657
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,633	3,633
Retained earnings	63,880	64,326
Total equity attributable to equity holders of the Company	159,537	159,983
Non-current liabilities		
Loans and borrowings	6,889	9,034
Deferred tax liabilities	5,611	5,761
Lease liabilities	22	28
Retention sum	471	-
	12,993	14,823
Current liabilities		
Trade and other payables	22,826	13,914
Amount due to Directors	115	45
Tax liabilities	185	122
Loans and borrowings	68,833	70,681
Lease liabilities	72	89
	92,031	84,851
Total liabilities	105,024	99,674
Total equity and liabilities	264,561	259,657
Net assets per share attributable to equity holders of the Company (RM)	0.89	0.89

Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statement.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2020**

	Share Capital RM'000	Non- distributable Merger Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 January 2020	92,024	3,633	64,326	159,983
Total comprehensive loss for the period	-	-	(446)	(446)
At 31 March 2020	<u>92,024</u>	<u>3,633</u>	<u>63,880</u>	<u>159,537</u>

Notes:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020

	Current Year to Date 31 March 2020 RM'000	Preceding Year Corresponding Period 31 March 2019 RM'000
Cash Flows from Operating Activities		
Loss before tax	(445)	(857)
Adjustments for:		
Amortisation of prepaid lease payments	-	57
Depreciation of right-of-use assets	291	-
Depreciation of property, plant and equipment	1,821	2,216
Finance costs	1,000	1,210
Unrealised foreign exchange gain	(129)	(40)
Operating profit before changes in working capital	2,538	2,586
Changes in working capital:		
Inventories	(1,594)	(1,702)
Trade and other receivables, deposits and prepayments	(1,929)	(470)
Trade and other payables	9,213	(1,282)
Amount due to Directors	70	110
Cash generated from/(used in) operations	8,298	(758)
Income tax paid, net of refund	(266)	(429)
Interest paid	(664)	(745)
Net cash generated from/(used in) operating activities	7,368	(1,932)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(4,843)	(96)
Placement of fixed deposits with original maturity exceeding three months	(9)	-
Net cash used in investing activities	(4,852)	(96)
Cash Flows from Financing Activities		
Net repayment of borrowings	(3,825)	(1,088)
Net repayment of finance leases	(8)	(15)
Payment of lease liabilities	(23)	-
Interest paid	(336)	(465)
Net cash used in financing activities	(4,192)	(1,568)
Net decrease in cash and cash equivalents	(1,676)	(3,596)
Effect of exchange rate fluctuations on cash held and bankers acceptances	105	1
Cash and cash equivalents at beginning of period	(8,310)	(12,737)
Cash and cash equivalents at end of period	(9,881)	(16,332)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2020 (CONTINUED)

Notes:

	Current Year to Date 31 March 2020 RM'000	Preceding Year Corresponding Period 31 March 2019 RM'000
Cash outflows for leases as a lessee		
Included in net cash from operating activities:		
Interest paid in relation to lease liabilities	1	-
Included in net cash from financing activities:		
Payment of lease liabilities	23	-
Total cash outflows for leases	24	-
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	12,046	7,398
Fixed deposits with original maturities not exceeding three months	560	-
Bank overdrafts	(22,487)	(23,730)
	(9,881)	(16,332)

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard 134 (“MFRS 134”): Interim Financial reporting and Appendix 9B part A of paragraph 9.22 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company and its subsidiaries since the financial year ended 31 December 2019.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the explanatory notes attached to this interim financial statement.

A2. Adoption of Malaysian Financial Reporting Standards

The significant accounting policies applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2019, except for the effects of newly issued Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) applied for the financial period beginning 1 January 2020.

Title	Effective date
Amendments to MFRS 3, <i>Business Combinations</i> - <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101, <i>Presentation of Financial Statements</i> and MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> - <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 4, <i>Business Combination</i> - <i>Definition of Business</i>	1 January 2020
MFRS 17, <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 101, <i>Presentation of Financial Statements</i> - <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022
Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures</i> - <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

The initial application of the above is not expected to have any material financial impact on the Group’s results.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)

A3. Auditors’ Report on preceding Annual Financial Statements

The Auditors’ Reports on the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2019 were not qualified.

A4. Changes in estimates

There were no material changes in estimates that have had a material effect in the current interim results.

A5. Item of unusual nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2020.

A6. Seasonality of operations

The operations of the Group are not seasonal in nature.

A7. Debts and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter.

A8. Dividends

There were no dividends proposed or declared for the current quarter under review.

A9. Segment information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer similar products and services, but are managed separately because they require different marketing strategies.

- Manufacturing - Includes manufacturing and distributions of batteries.
- Marketing - Includes marketing and retailing of batteries and lubricants.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segment information (Continued)

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

	Manufacturing RM'000	Marketing RM'000	Other non- Reportable segment RM'000	Total RM'000
<i>As At 31 March 2020</i>				
Segment (loss)/profit	(1,346)	841	60	(445)
Included in the measure of segment (loss)/ profit are:				
Revenue from external customers	11,645	8,181	-	19,826
Inter-segment revenue	6,831	-	-	6,831
Depreciation	(2,056)	(56)	-	(2,112)
Finance costs	(1,009)	3	6	(1,000)
<i>As At 31 March 2019</i>				
Segment (loss)/profit	(2,066)	1,110	99	(857)
Included in the measure of segment (loss)/profit are:				
Revenue from external customers	13,222	9,122	-	22,344
Inter-segment revenue	7,520	-	-	7,520
Amortisation	(57)	-	-	(57)
Depreciation	(2,166)	(50)	-	(2,216)
Finance costs	(1,207)	(3)	-	(1,210)

A10. Property, plant and equipment

During the current financial quarter, the Group acquired assets at cost of RM4.84 million (31 March 2019: RM0.10 million).

A11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONTINUED)

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A13. Commitments

The capital commitments of the Group as at 31 March 2020 are as follows:

	As at 31 March 2020 RM’000
Commitments in respect of capital expenditure:	
- Approved and contracted for	20,257

A14. Contingencies

There were no contingencies as at the end of the current financial quarter.

A15. Significant Related Party Transaction

There were no significant related party transactions during the current financial quarter.

A16. Disclosure of derivatives

There were no outstanding derivatives as at the end of the current financial quarter.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Performance Review

Current quarter against corresponding quarter in prior year

The Group achieved revenue of RM19.83 million and recorded a loss before tax of RM0.45 million for the current quarter as compared to revenue of RM22.34 million and loss before tax of RM0.86 million for the corresponding quarter in prior year.

B2. Comment on Material Change in Loss/Profit before Tax Against Immediate Preceding Quarter

The Group achieved revenue of RM19.83 million and recorded a loss before tax of RM0.45 million for the current quarter as compared to revenue of RM29.95 million and profit before tax of RM1.67 million for immediate preceding quarter.

The decrease in revenue for the current quarter is mainly due to lower sales volume and hence results in loss before tax for the current quarter as compared to the immediate preceding quarter.

B3. Commentary on Prospects

The Group expects to continue to face the challenging economic and business environment in the coming quarters. The global growth prospects are significantly weakened by the ongoing outbreak of Covid-19 pandemic. The factory closures and lockdowns imposed on many major cities due to Covid-19 have caused global supply chain disruptions particularly in the first quarter of 2020. The global economy outlook is heavily dependent on how the world successfully contain this pandemic in the months to come. Nevertheless, the global economy remains to be influenced by the effect of the US-China trade war and the major slowdown of the economic momentum in China and the rest of the world. Furthermore, the sluggish demand and lower world commodity prices, continue to be a source of concern. However, the Group is confident that through continuous improvement in the products and services, efficiency in production and expanding customer base, the Group will be able to weather the challenges ahead.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B5. Loss before Tax

Included in the loss before tax are the following items:

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Loss for the period derived at after charging and crediting:				
Amortisation of prepaid lease payments	-	57	-	57
Depreciation of right-of-use assets	291	-	291	-
Depreciation of property, plant and equipment	1,821	2,216	1,821	2,216
Rental of premises - expenses	18	29	18	29
Finance costs	1,000	1,210	1,000	1,210
Foreign exchange gain:				
- realised	(278)	(105)	(278)	(105)
- unrealised	(129)	(40)	(129)	(40)
Rental of premises - income	(8)	(8)	(8)	(8)

B6. Taxation

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Malaysian taxation				
- current year	151	199	151	199
- prior year	-	-	-	-
Deferred taxation	(150)	(309)	(150)	(309)
Taxation	1	(110)	1	(110)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B7. Loans and Borrowings

Total Group borrowings as at 31 March 2020 were as follows:

	As at 31 March 2020 RM'000
Current	
- Secured	68,833
- Unsecured	-
	68,833
Non-current	
- Secured	6,889
	75,722
Total Borrowings	

Note:

The Group's short term borrowings comprised mainly banks overdrafts and trade lines for working capital purpose.

B8. Material Litigation

There was no material litigation against the Group.

B9. Dividend

There were no dividends proposed or declared for the current quarter under review.

B10. Loss per Share

Basic loss per share are calculated by dividing loss for the period, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The Company has no potential ordinary shares in issue as at 31 March 2020. As such, the fully diluted earnings per share of the Company are equivalent to the basic earnings per share.

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Loss attributable to equity holders of the Company (RM'000)	(446)	(747)	(446)	(747)
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic loss per share (Sen)	(0.25)	(0.42)	(0.25)	(0.42)
Diluted	N/A	N/A	N/A	N/A



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2020

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)

B11. Disclosures of Gains/Losses Arising from Fair Value Changes of Financial Liabilities

The Group did not have any financial liabilities measures at fair value through profit or loss as at 31 March 2020.

B12. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at Board of Directors' meeting held on 24 June 2020.