



[Company No.: 200501009101 (686148-A)]

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020

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UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Current Quarter	Preceding Year	Current Year	Preceding Year
	31.12.20	Corresponding Quarter	To Date	Corresponding Period
	RM'000	31.12.19	31.12.20	31.12.19
	RM'000	RM'000	RM'000	RM'000
Revenue	76,237	69,893	250,970	256,792
Cost of sales	<u>(57,797)</u>	<u>(51,769)</u>	<u>(198,145)</u>	<u>(195,802)</u>
Gross profit	18,440	18,124	52,825	60,990
Other operating income	252	734	3,512	3,132
Administrative expenses	<u>(7,262)</u>	<u>(7,483)</u>	<u>(24,750)</u>	<u>(22,335)</u>
Operating profit	11,430	11,375	31,587	41,787
Finance costs	<u>(546)</u>	<u>(627)</u>	<u>(2,045)</u>	<u>(2,137)</u>
Profit before tax	10,884	10,748	29,542	39,650
Tax expenses	<u>(2,843)</u>	<u>(3,014)</u>	<u>(8,156)</u>	<u>(9,184)</u>
Total comprehensive income for the period	<u><u>8,041</u></u>	<u><u>7,734</u></u>	<u><u>21,386</u></u>	<u><u>30,466</u></u>
Profit/(loss) attributable to:				
-Owners of the parent	8,041	7,734	21,387	30,466
-Non-controlling interests ("NCI")	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>
	<u><u>8,041</u></u>	<u><u>7,734</u></u>	<u><u>21,386</u></u>	<u><u>30,466</u></u>
Earnings per share attributable to owners of the parent (sen):				
- Basic	<u><u>1.44</u></u>	<u><u>1.39</u></u>	<u><u>3.84</u></u>	<u><u>5.46</u></u>

Notes:

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this report.

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited)	(Audited)
		At End of Current Year to Date 31.12.20 RM'000	At End of Preceding Financial Year 31.12.19 RM'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment		101,105	88,441
Right-of-use assets		3,416	2,819
Goodwill on Consolidation		21,532	21,532
Deferred tax assets		25	-
		<u>126,078</u>	<u>112,792</u>
Current assets			
Inventories		34,578	31,239
Trade receivables		130,975	103,401
Other receivables, deposits and prepayments		5,791	3,774
Tax recoverable		2,012	158
Cash and cash equivalents		<u>30,745</u>	<u>54,446</u>
		204,101	193,018
Non-current assets held for sale		<u>5,096</u>	<u>-</u>
		<u>209,197</u>	<u>193,018</u>
TOTAL ASSETS		<u>335,275</u>	<u>305,810</u>
EQUITY AND LIABILITIES			
Share capital		113,231	113,231
Retained profits		120,666	104,148
Capital reserve		<u>(15,957)</u>	<u>(15,957)</u>
		217,940	201,422
Non controlling interests		<u>499</u>	<u>-</u>
Total equity		<u>218,439</u>	<u>201,422</u>
Non-current liabilities			
Borrowings	22	32,738	33,682
Lease liabilities		2,515	1,814
Deferred tax liabilities		<u>2,039</u>	<u>1,141</u>
		<u>37,292</u>	<u>36,637</u>
Current liabilities			
Trade payables		32,211	25,394
Contract liabilities		-	251
Other payables and accruals		22,881	14,656
Borrowings	22	22,000	24,547
Lease liabilities		687	672
Refund liabilities		196	83
Tax payables		<u>1,569</u>	<u>2,148</u>
		<u>79,544</u>	<u>67,751</u>
Total liabilities		<u>116,836</u>	<u>104,388</u>
TOTAL EQUITY AND LIABILITIES		<u>335,275</u>	<u>305,810</u>

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UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) At End of Current Year to Date 31.12.20 RM'000	(Audited) At End of Preceding Financial Year 31.12.19 RM'000
Net assets per share (RM)	<u>0.39</u>	<u>0.36</u>

Note:

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

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	----- Attributable to the owners of the parent -----						
	----- Non distributable -----			---- Distributable ----			
	Share Capital RM'000	Treasury Shares RM'000	Capital Reserve RM'000	Retained Profits RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2020	113,231	-	(15,957)	104,148	201,422	-	201,422
Total comprehensive income for the period	-	-	-	21,387	21,387	(1)	21,386
<i>Transaction with owners:</i>							
Issuance of share to Non-controlling interest of a subsidiary	-	-	-	-	-	500	500
Gain on disposal of Treasury Shares	-	-	-	707	707	-	707
Dividend Paid	-	-	-	(5,576)	(5,576)	-	(5,576)
Balance as at 31 December 2020	<u>113,231</u>	<u>-</u>	<u>(15,957)</u>	<u>120,666</u>	<u>217,940</u>	<u>499</u>	<u>218,439</u>
Balance as at 1 January 2019	113,231	-	(15,957)	84,834	182,108	-	182,108
Total comprehensive income for the period	-	-	-	30,466	30,466	-	30,466
<i>Transaction with owners:</i>							
Dividend Paid	-	-	-	(11,152)	(11,152)	-	(11,152)
Balance as at 31 December 2019	<u>113,231</u>	<u>-</u>	<u>(15,957)</u>	<u>104,148</u>	<u>201,422</u>	<u>-</u>	<u>201,422</u>

Note:

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

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	(Unaudited)	(Audited)
	Current Year	Preceding Year
	To Date	Corresponding
	31.12.20	Period
	RM'000	31.12.19
		RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	29,542	39,650
Adjustments for:		
-Non cash items	15,336	11,662
-Interest expense	1,906	2,137
-Interest income	(470)	(1,336)
Operating profit before working capital changes	46,314	52,113
Decrease/(Increase) in inventories	(3,524)	(3,164)
(Decrease)/Increase in receivables	(33,420)	(10,394)
(Decrease)/Increase in payables	15,549	(2,957)
Cash generated from operations	24,919	35,598
Net income tax paid	(9,716)	(7,662)
Interest paid	(1,906)	(2,037)
Net cash generated from operating activities	13,297	25,899
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	470	1,336
Additions to right-of-use assets	-	(409)
Placement of FD	(2,131)	(157)
Proceed from disposal of property, plant and equipment	82	430
Purchase of property, plant and equipment*	(21,381)	(24,744)
Net cash used in investing activities	(22,960)	(23,544)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of hire purchase loans	(5,709)	(6,131)
Payment of lease liabilities	(799)	(676)
Net drawdown / (repayment) of trade financing	(1,609)	5,195
Net drawdown / (repayment) of term loans	(1,490)	10,696
Proceeds from issuance of share to NCI of a subsidiary	500	-
Proceeds from disposal of Treasury shares	707	-
Payment of Dividend	(5,576)	(11,152)
Net cash from financing activities	(13,976)	(2,068)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(23,639)	287
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(36)	(43)
CASH AND CASH EQUIVALENTS AT BEGINNING	45,480	45,236
CASH AND CASH EQUIVALENTS AT END	21,805	45,480
The cash and Cash equivalents are represented by:		
Cash and cash equivalents	30,745	54,446
Less: Fixed deposits pledged to licensed bank	(7,136)	(5,005)
	23,609	49,441
Less: Bank overdraft	(1,804)	(3,961)
	21,805	45,480

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UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited)	(Audited)
	Current Year	Preceding Year
	To Date	Corresponding
	31.12.20	31.12.19
	RM'000	RM'000
* Purchase of property, plant and equipment		
Total acquisition cost	28,855	28,768
Acquired under finance lease	(7,474)	(4,024)
Total cash acquisition	<u>21,381</u>	<u>24,744</u>

Note:

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

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2020**

1. Basis Of Preparation

The condensed consolidated interim financial statements ("Report") are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 ("FYE 2019"). The explanatory notes attached to this Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since FYE 2019.

The accounting policies adopted for this Report are consistent with those of the last audited financial statements for FYE 2019.

The adoption of the new/amended MFRS and its amendments does not give rise to any adjustment to the opening balances of retained profit of prior and current years or changes in comparatives.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements of the Group for the FYE 2019 were not subject to any audit qualification.

3. Seasonality or Cyclical Factors

The Group's operations were not materially affected by any major seasonal or cyclical changes during the financial year and the current quarter under review.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or exceptional items for the current quarter to date under review.

5. Material Changes in Estimates of Amounts Reported

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

6. Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review except that the Company had on 6th July 2020 resale its treasury shares of 966,900 ordinary shares with the total consideration of RM1,475,872.03.

7. Dividend Paid

The Company had declared the following dividend:

- a) Fourth interim single tier dividends of 0.50 sen per ordinary share on 557,600,000 ordinary shares in respect of FYE 2019 which was paid on 31 March 2020.
- b) First interim single tier dividends of 0.50 sen per ordinary share on 557,600,000 ordinary shares in respect of the financial year ended 31 December 2020 ("FYE 2020") which was paid on 31 December 2020.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2020**

8. Segmental Information

Segmental information is presented in respect of the Group's business segments.

Results for the Year-To-Date ended 31 December 2020

Segment Revenue	< ----- Manufacturing ----- >			Investment Holding RM'000	Adjustment RM'000	Total RM'000
	Automotive RM'000	Industrial RM'000	Others RM'000			
Revenue from external customers	154,446	93,832	2,042	650	-	250,970
Inter-segment revenue	16,533	1,427	-	11,882	(29,842)	-
Total revenue	<u>170,979</u>	<u>95,259</u>	<u>2,042</u>	<u>12,532</u>	<u>(29,842)</u>	<u>250,970</u>
Segment Results	23,588	10,283	(1,620)	(1,134)	-	31,117
Interest income						470
Interest expense						(2,045)
Profit before tax						<u>29,542</u>
Tax expenses						(8,156)
Net profit for the period						<u>21,386</u>

Results for the Year-To-Date ended 31 December 2019

Segment Revenue	< ----- Manufacturing ----- >			Investment Holding RM'000	Adjustment RM'000	Total RM'000
	Automotive RM'000	Industrial RM'000	Others RM'000			
Revenue from external customers	170,558	84,563	399	1,272	-	256,792
Inter-segment revenue	15,561	1,950	-	-	(17,511)	-
Total revenue	<u>186,119</u>	<u>86,513</u>	<u>399</u>	<u>1,272</u>	<u>(17,511)</u>	<u>256,792</u>
Segment Results	35,231	8,664	(2,606)	(838)		40,451
Interest income						1,336
Interest expense						(2,137)
Profit before tax						<u>39,650</u>
Tax expenses						(9,184)
Net profit for the period						<u>30,466</u>

9. Valuation of Property, Plant and Equipment

There has been no revaluation of property, plant and equipment during the quarter ended 31 December 2020.

As at 31 December 2020, all property, plant and equipment were stated at cost less accumulated depreciation.

10. Significant Events After the Reporting Period

There were no significant events subsequent to the end of the current quarter under review and up to the date of this announcement.

11. Changes in the Composition of the Group

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2020**

12. Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2019.

13. Capital Commitments

Authorized and contracted but not provided for :

RM'000

Purchase of property, plant and equipment

5,809

14. Review of Results for the Quarter and Year to Date

	INDIVIDUAL PERIOD				CUMULATIVE PERIOD			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To-Date	Preceding Year Corresponding Period	Changes	
	31.12.20	31.12.19			31.12.20	31.12.19		
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	76,237	69,893	6,344	9.08%	250,970	256,792	(5,822)	-2.27%
Operating profit	11,430	11,375	55	0.49%	31,587	41,787	(10,200)	-24.41%
Profit before tax	10,884	10,748	136	1.27%	29,542	39,650	(10,108)	-25.49%
Profit after tax ("PAT")	8,041	7,734	307	3.97%	21,386	30,466	(9,080)	-29.80%
Profit attributable to ordinary equity holders of the parent	8,041	7,734	307	3.97%	21,387	30,466	(9,079)	-29.80%

For the quarter under review, the Group posted a revenue of RM76.24 million, representing an increase of 9.08% compared to the corresponding quarter in the previous year of RM69.89 million. The higher revenue was primarily due to comparatively higher volume loading from automotive segment. The Group achieved PAT of RM8.04 million or 3.97% higher as compared to the corresponding quarter last year.

For FYE 2020, the Group recorded revenue and PAT of RM250.97 million and RM21.39 million respectively, these represent a decrease of 2.27% in revenue and 29.80% in PAT as compared to FYE 2019. Lower revenue coupled by the unabsorbed overheads during the Movement Control Order ("MCO") that implemented by Malaysia government on 18 March 2020 in response to the COVID-19 pandemic has resulted in lower PAT for FYE 2020 under review as compared to FYE 2019.

15. Comparison With Immediate Preceding Quarter's Results

	INDIVIDUAL QUARTER			
	31.12.20	30.9.2020	Changes	
	RM'000	RM'000	RM'000	%
Revenue	76,237	78,072	(1,835)	-2.35%
Operating profit	11,430	8,522	2,908	34.13%
Profit before tax ("PBT")	10,884	8,044	2,840	35.31%
Profit after tax ("PAT")	8,041	5,321	2,720	51.12%
Profit attributable to ordinary equity holders of the parent	8,041	5,321	2,720	51.12%

The Group posted revenue and PAT of RM76.24 million and RM8.04 million respectively for the current quarter under review as compared to the revenue and PAT of RM78.07 million and RM5.32 million respectively for the immediate preceding quarter. The positive performance was mainly due to lower operating cost, as a result of cost optimisation programmes for the current quarter under review.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2020**

16. Statement of Financial Position review

	As at 31.12.20 RM'000	As at 31.12.19 RM'000	Changes	
			RM'000	%
Property, plant and equipment	101,105	88,441	12,664	14.32%
Non-current assets held for sale	5,096	-	5,096	>100%

Property, plant and equipment

The increase was mainly due to the capital expenditure incurred for both automotive and industrial segments.

Non-current assets held for sale

A wholly owned subsidiary of JHM had finalised the disposal of two (2) pieces of leasehold land with carrying amount of RM5.10 million. The sale and purchase agreements in relation to the disposals of these leasehold lands had been signed and the purchaser deposits had been received. Hence, it is classified to non-current assets held for sale in accordance with MFRS 5.

17. Statement of Cash Flow review

	As at 31.12.20 RM'000	As at 31.12.19 RM'000	Changes	
			RM'000	%
Net cash generated from operating activities	13,297	25,899	(12,602)	-48.66%
Net cash used in investing activities	(22,960)	(23,544)	584	-2.48%
Net cash used in financing activities	(13,976)	(2,068)	(11,908)	575.82%

Operating activities

The Group's net cash generated from operating activities had decreased from RM25.90 million for FYE 2019 to RM13.30 million for FYE 2020. This was mainly due to lower PBT of RM10.11 million and decrease in receivables of RM23.03 million. However, it was partly offset by the increase in payables of RM18.51 million which was yet to be due for payment as at 31 December 2020.

Investing activities

The Group continues its business expansion for both automotive and industrial segment explained the net cash outflow recorded in FYE 2019 and FYE 2020.

Financing activities

Lower negative cash flow in financing activities for FYE 2019 was mainly attributable from the drawdown of trade financing and term loan.

18. Commentary on Prospects

The Covid-19 pandemic has caused some disruptions on the Group's business operations and raw materials supply chain which in turn affected the Group's financial performance for FYE 2020. Market conditions are expected to be volatile due to concerns over uncertainties in global economic recovery from the impact of Covid-19 pandemic. Despite this, the Group's outlook remains resilient and is continuing with the business expansion plans to support new customers from automotive as well as industrial segments.

Barring any unforeseen circumstances, the Board anticipate that the Group achieve a satisfactory performance for the financial year ending 31 December 2021.

19. Profit Forecast or Profit Guarantee

Not applicable as no profit forecast or profit guarantee was announced or published.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2020**

20. Tax expenses

Current Year	Current Year
Quarter	To Date
31.12.20	31.12.20
RM'000	RM'000

Tax expenses comprise the following :

Based on results for the period

- Current tax

2,843	8,156
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21. Corporate Proposals

There was no corporate proposal announced but not completed as at the date of this report.

22. Group Borrowings And Debt Securities

Particulars of the Group's borrowings are as follow:-

As at 31 December 2020						
	Short term		Long term		Total	
	Foreign '000	RM '000	Foreign '000	RM '000	Foreign '000	RM '000
Secured:						
Hire purchase loans *	-	6,312	-	13,409	-	19,721
Banker acceptance	-	11,183	-	-	-	11,183
Term Loan	-	2,701	-	19,329	-	22,030
Unsecured:						
Bank overdraft	-	1,804	-	-	-	1,804
	-	22,000	-	32,738	-	54,738

As at 31 December 2019						
	Short term		Long term		Total	
	Foreign '000	RM '000	Foreign '000	RM '000	Foreign '000	RM '000
Secured:						
Hire purchase loans *	-	5,363	-	12,594	-	17,957
Banker acceptance	-	12,792	-	-	-	12,792
Term Loan	-	2,431	-	21,088	-	23,519
Unsecured:						
Bank overdraft	-	3,961	-	-	-	3,961
	-	24,547	-	33,682	-	58,229

* In the previous quarterly financial report, this was described as finance lease liabilities.

23. Dividend Payable

The Board of Directors has approved a second interim single tier dividend of 0.5 sen per ordinary share, approximate of RM2.79 million for FYE 2020. The Book Closure and Payment Dates for the aforesaid dividend will be on 18 March 2021 and 31 March 2021 respectively.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2020**

24. Profit before tax

**Profit before tax is derived from
after charging/(crediting)**

	Current Quarter 31.12.20 RM'000	Year To Date 31.12.20 RM'000	Year To Date 31.12.19 RM'000
Depreciation of property, plant and equipment	3,093	10,846	9,258
Depreciation of right-of-use assets	161	784	651
Gain on disposal of property, plant and equipment	(13)	(15)	(175)
Interest expense	483	1,906	2,037
Interest expense on lease liabilities	62	139	100
Interest income	(180)	(470)	(1,336)
Property, plant and equipment written off	89	94	9
Realized loss / (gain) on foreign exchange	441	(768)	(2,213)
Unrealized loss / (gain) on foreign exchange	3,095	3,184	2,521

Other than the above items, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for the current quarter and FYE 2020.

25. Earnings Per Share

The basic earnings per share for the quarter and cumulative year to date are computed as follow:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.12.20	Preceding Year Corresponding Quarter 31.12.19	Current Year To Date 31.12.20	Preceding Year Corresponding Period 31.12.19
Net profit attributable to owners of the parent (RM'000)	<u>8,041</u>	<u>7,734</u>	<u>21,387</u>	<u>30,466</u>
Weighted average number of ordinary shares issued ('000)	<u>557,600</u>	<u>557,600</u>	<u>557,600</u>	<u>557,600</u>
Basic Earnings Per Share based on weighted average number of ordinary shares issued (sen)	<u>1.44</u>	<u>1.39</u>	<u>3.84</u>	<u>5.46</u>

There is no diluted earnings per share as the Company does not have any convertible financial instruments as at the current year quarter and current year to date.

-- END OF UNAUDITED FOURTH QUARTER INTERIM FINANCIAL REPORT --