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EVERSAFE RUBBER

# EVERSAFE RUBBER BERHAD

Company no: 201501008542 (1133877 - V)  
(Incorporated in Malaysia)

CONSOLIDATED  
RESULTS FOR THE FOURTH QUARTER ENDED  
31 DECEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 <sup>(1)</sup>

	Individual Period (4th quarter)		Cumulative Period	
	Current Year Quarter 31.12.2020 RM	Preceding Year Corresponding Quarter 31.12.2019 RM	Current Year To-date 31.12.2020 RM	Preceding Year Corresponding Period 31.12.2019 RM
Revenue	24,249,814	29,577,310	103,355,966	116,613,906
Cost of sales	(20,380,397)	(24,459,562)	(84,686,531)	(98,156,914)
Gross profit	3,869,417	5,117,748	18,669,435	18,456,992
Other operating income/(expenses)	945,173	(28,164)	1,622,593	744,705
Distribution costs	(2,188,043)	(2,033,538)	(6,768,871)	(7,787,394)
General and administrative expenses	(3,559,938)	(2,714,611)	(8,325,610)	(8,088,392)
(Loss)/Profit from operations	(933,391)	341,435	5,197,547	3,325,911
Finance income	72,321	283,283	303,216	384,678
Finance costs	(325,398)	(817,175)	(1,349,744)	(1,717,576)
(Loss)/Profit before tax	(1,186,468)	(192,457)	4,151,019	1,993,013
Taxation	(3,345)	169,743	(747,968)	(370,893)
(Loss)/Profit for the financial period attributable to owners of the parent	(1,189,813)	(22,714)	3,403,051	1,622,120
Foreign currency translation, net of tax	(172,536)	(115,464)	(243,044)	24,000
Total comprehensive (loss)/income, attributable to owners of the parent	(1,362,349)	(138,178)	3,160,007	1,646,120
(Loss)/Earnings per share attributable to owners of the parent:				
(Loss)/Profit for the financial period				
Basic and diluted (sen) <sup>(2)(3)</sup>	(0.49)	(0.01)	1.41	0.67

**EVERSAFE RUBBER BERHAD [COMPANY NO.: 201501008542 (1133877 - V)]**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020<sup>(1)</sup> (con'd)**

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 and the accompanying explanatory notes to this interim financial report.
- (2) (Loss)/Basic earnings per share is calculated based on the Company's weighted average number of ordinary shares for the financial period.
- (3) Diluted (loss)/earnings per share of the Company is equivalent to the basic (loss)/earnings per share as the Company does not have convertible options at the end of the reporting period.

**EVERSAFE RUBBER BERHAD [COMPANY NO.: 201501008542 (1133877 - V)]**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020 <sup>(1)</sup>**

	As at 31.12.2020 RM (Unaudited)	As at 31.12.2019 RM (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	42,777,820	43,599,368
Intangible assets	1	1
Trade receivables	1,851,025	1,169,489
	44,628,846	44,768,858
<b>Current assets</b>		
Inventories	20,942,420	18,419,090
Trade and other receivables	23,933,144	24,763,119
Current tax assets	690,890	496,622
Cash and bank balances	18,754,602	19,254,670
	64,321,056	62,933,501
<b>TOTAL ASSETS</b>	<b>108,949,902</b>	<b>107,702,359</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	65,428,449	65,428,449
Reserves	(2,957,928)	(3,711,997)
<b>TOTAL EQUITY</b>	<b>62,470,521</b>	<b>61,716,452</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred tax liabilities	4,285,030	4,129,299
Hire purchase and lease liabilities	3,952,484	4,706,853
Borrowings	4,430,058	3,881,954
	12,667,572	12,718,106
<b>Current liabilities</b>		
Trade and other payables	9,241,741	9,280,485
Hire purchase and lease liabilities	2,225,375	1,891,535
Borrowings	22,344,693	22,095,781
	33,811,809	33,267,801
<b>TOTAL LIABILITIES</b>	<b>46,479,381</b>	<b>45,985,907</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>108,949,902</b>	<b>107,702,359</b>
Net assets per ordinary share (RM) <sup>(2)</sup>	0.260	0.257

**EVERSAFE RUBBER BERHAD [COMPANY NO.: 201501008542 (1133877 - V)]**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020 <sup>(1)</sup> (con'd)**

Notes:

- (1) The basis of preparation of the Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 and the accompanying explanatory notes to this interim financial report.
- (2) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting period.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 <sup>(1)</sup>

	[-----Non-distributable-----]				Distributable	
	Share capital RM	Capital reserve RM	Foreign currency translation reserve RM	Reorganisation debit reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 January 2019	65,428,449	7,104	(1,111,447)	(36,914,958)	32,661,184	60,070,332
Profit for the financial year	-	-	-	-	1,622,120	1,622,120
Other comprehensive income, net of tax	-	-	24,000	-	-	24,000
Total comprehensive income	-	-	24,000	-	1,622,120	1,646,120
Balance as at 31 December 2019	65,428,449	7,104	(1,087,447)	(36,914,958)	34,283,304	61,716,452
	[-----Non-distributable-----]				Distributable	
	Share capital RM	Capital reserve RM	Foreign currency translation reserve RM	Reorganisation debit reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 January 2020	65,428,449	7,104	(1,087,447)	(36,914,958)	34,283,304	61,716,452
Profit for the financial year	-	-	-	-	3,403,051	3,403,051
Other comprehensive loss, net of tax	-	-	(243,044)	-	-	(243,044)
Total comprehensive (loss)/income	-	-	(243,044)	-	3,403,051	3,160,007
Dividends paid	-	-	-	-	(2,405,938)	(2,405,938)
Balance as at 31 December 2020	65,428,449	7,104	(1,330,491)	(36,914,958)	35,280,417	62,470,521

Note:-

(1) The basis of preparation of the Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 and the accompanying notes to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 <sup>(1)</sup>

	(Unaudited) 12 months ended 31.12.2020 RM	(Audited) 12 months ended 31.12.2019 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	4,151,019	1,993,013
Adjustments for:		
Non-cash items/Non-operating items	8,050,054	7,456,853
Operating profit before working capital changes	12,201,073	9,449,866
Changes in working capital:		
Increase in inventories	(2,476,192)	(2,351,269)
(Increase)/Decrease in trade and other receivables	(377,470)	876,823
(Decrease)/Increase in trade and other payables	(476,360)	1,311,451
Others	(100)	206,647
Cash generated from operations	8,870,951	9,493,518
Tax paid - net	(779,220)	(114,969)
Net cash generated from operating activities	8,091,731	9,378,549
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	303,216	384,678
Proceeds from disposal of property, plant and equipment	15,000	196,390
Purchase of property, plant and equipment	(5,810,683)	(897,432)
Withdrawal/(Placement) in short term deposits	1,009	(92,042)
Net cash used in investing activities	(5,491,458)	(408,406)

**EVERSAFE RUBBER BERHAD [COMPANY NO.: 201501008542 (1133877 - V)]**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 (con'd)**

	(Unaudited) 12 months ended 31.12.2020 RM	(Audited) 12 months ended 31.12.2019 RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(2,405,938)	-
Interest paid	(1,352,668)	(1,275,294)
Net drawdowns of bank borrowings	(2,112,022)	(251,641)
Net cash used in financing activities	(5,870,628)	(1,526,935)
Net (decrease)/increase in cash and cash equivalents	(3,270,355)	7,443,208
Effect of foreign exchange rates changes	3,558	(10,543)
Cash and cash equivalents at the beginning of the financial year	13,335,136	5,902,471
Cash and cash equivalents at the end of the financial year	10,068,339	13,335,136
Cash and cash equivalents comprise:		
Cash and bank balances	18,754,602	19,254,670
Less: Deposits pledged as securities	(3,779,989)	(3,805,998)
Less: Deposits with licensed banks with maturity of over 3 months	(1,625,000)	(1,600,000)
	13,349,613	13,848,672
Less: Bank overdrafts	(3,281,274)	(513,536)
	10,068,339	13,335,136

**Note:**

(1) The basis of preparation of the Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 and the accompanying explanatory notes to this interim financial report.



**EVERSAFE RUBBER BERHAD [201501008542 (1133877 - V)]**  
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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020**

**A1. BASIS OF PREPARATION**

The interim financial report of Eversafe Rubber Berhad (“Eversafe Rubber” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with the requirements of MFRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Securities.

**A2. CHANGES IN ACCOUNTING POLICIES**

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2019, except for the adoption of the following MFRS/ Amendments/ Interpretations:

Title	Effective Date
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108 Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform	1 January 2020
Amendment to MFRS 16 Covid-19 Related Rent Concessions	1 June 2020 (early adopt)
Amendments to MFRS 4 Insurance Contract	
- Extension of the Temporary Exemption from Applying MFRS 9	17 August 2020

The Group has adopted the new and revised MFRSs that are relevant and effective for accounting periods beginning on or after 1 January 2020. The adoption of these new and revised MFRSs have not resulted in any material impact on the financial statements.

**A3. AUDITORS’ REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The preceding year’s audited financial statements of the Group were not subject to any qualification.

**A4. SEASONAL OR CYCLICAL FACTORS**

The Group’s business operations are not materially affected by seasonal or cyclical factors during the current financial quarter under review.

Generally, our sales for the first (1<sup>st</sup>) half of the year will be slower as compared to the second (2<sup>nd</sup>) half of the year. This is attributable to the festive seasons, public holidays and geometric condition in certain country. We generally see our sales picking up in the second (2<sup>nd</sup>) half of the year. Save for the above, our Group does not experience any other material seasonality or cyclical effects in sales.

**A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter and the financial year-to-date under review.

**EVERSAFE RUBBER BERHAD [201501008542 (1133877 - V)]**  
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**A6. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates that had a material effect in the current financial quarter and the financial year-to-date under review.

**A7. DEBT AND EQUITY SECURITIES**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter.

**A8. SEGMENTAL INFORMATION**

The Group is principally involved in the manufacturing and sale of rubber based tyre retread products.

No product and services segment information is presented as the Chief Operating Decision Maker (CODM) views the Group as a single reportable segment.

Segment revenue is based on geographical location from which the sale transactions originated.

The following are revenue from external customers by geographical location:

	Individual Quarter				Cumulative Quarter			
	3 months ended		3 months ended		12 months ended		12 months ended	
	31.12.2020		31.12.2019		31.12.2020		31.12.2019	
	RM	%	RM	%	RM	%	RM	%
Revenue by geographical location:								
Malaysia	7,008,615	28.90	9,067,970	30.66	27,576,319	26.68	33,927,122	29.09
East Asia and Oceania	5,147,216	21.23	7,952,260	26.89	25,120,529	24.30	33,715,022	28.91
South East Asia	10,905,275	44.97	9,675,514	32.71	39,269,809	38.00	37,863,008	32.47
South Asia, Middle East and Africa	506,981	2.09	1,450,129	4.90	5,648,245	5.46	5,485,098	4.71
Americas	184,971	0.76	113,782	0.39	1,596,369	1.55	1,049,038	0.90
Europe	496,756	2.05	1,317,655	4.45	4,144,695	4.01	4,574,618	3.92
	<u>24,249,814</u>		<u>29,577,310</u>		<u>103,355,966</u>		<u>116,613,906</u>	
Sales by currency:								
USD	11,577,086	47.74	10,353,713	35.01	46,300,681	44.80	44,103,938	37.82
JPY	766,345	3.16	2,438,477	8.24	6,474,330	6.26	10,496,163	9.00
RM	7,008,615	28.90	9,067,970	30.66	27,576,319	26.68	33,927,122	29.09
Others	4,897,768	20.20	7,717,150	26.09	23,004,636	22.26	28,086,683	24.09
	<u>24,249,814</u>		<u>29,577,310</u>		<u>103,355,966</u>		<u>116,613,906</u>	
Average foreign exchange rates								
RM/USD	4.106		4.165		4.201		4.143	
RM/JPY100	<u>3.931</u>		<u>3.832</u>		<u>3.936</u>		<u>3.800</u>	

(source: Bank Negara Malaysia Exchange Rate)

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**A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The Group has not carried out any valuation on its property, plant and equipment in the current financial quarter and the financial year-to-date under review.

**A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL QUARTER**

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial quarter and the financial year-to-date under review.

**A12. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There were no contingent assets and contingent liabilities as at the date of this interim financial report.

**A13. CAPITAL COMMITMENTS**

There were no material capital commitments in respect of property, plant and equipment as at the end of the current financial quarter under review.

**EVERSAFE RUBBER BERHAD [201501008542 (1133877 - V)]**  
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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020**

**B ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. REVIEW OF PERFORMANCE**

Current Quarter vs Previous Year Corresponding Quarter

For the current financial quarter under review, the Group recorded revenue of RM24.25 million as compared to revenue of RM29.58 million for the preceding year's corresponding quarter. This is mainly due to the decrease in the sales of tyre retreading materials as a result of the impact of Covid-19 pandemic.

The Group registered a loss before taxation of RM1.19 million for the current financial quarter under review as compared to the loss before taxation of RM0.19 million for the preceding year corresponding quarter. This is mainly due to lower sales of tyre retreading materials and higher general and administrative expenses recorded in the current financial period.

Current Year-To-Date vs Previous Year-To-Date

The Group achieved revenue of RM103.36 million for the financial year under review as compared to revenue of RM116.61 million for the preceding financial year. This is mainly due to the decrease in sales of tyre retreading materials as a result of the impact of Covid-19 pandemic.

The Group recorded a profit before taxation of RM4.15 million for the financial year as compared to the preceding year's profit before taxation of RM1.99 million. This is mainly due to higher gross profit margin.

**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS**

	<b>Current Quarter 31.12.2020 RM</b>	<b>Preceding Quarter 30.09.2020 RM</b>	<b>Variance RM</b>	<b>%</b>
Revenue	24,249,814	30,495,735	(6,245,921)	(20.48)
(Loss)/Profit before tax	<u>(1,186,468)</u>	<u>2,939,109</u>	<u>(4,125,577)</u>	<u>(140.37)</u>

The Group's revenue decreased by 20.48% from RM30.50 million recorded in the immediate preceding quarter to RM24.25 million in the current financial quarter. This is mainly due to the lower sales of tyre retreading materials.

The profit before tax of the Group decreased by RM4.13 million from profit of RM2.94 million in the previous financial quarter to loss of RM1.19 million in the current financial quarter which is mainly due to lower sales of tyre retreading materials and higher general and administrative expenses.

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 (con'd)**

**B3. COMMENTARY ON PROSPECTS**

The Group continues to take necessary steps to mitigate the effects and challenges of Covid-19 pandemic at the global and domestic levels and has also taken necessary measures to comply with all the procedures required by all relevant authorities to ensure that production and business will proceed optimally.

The Group's retreading and rubber compounding business are expected to be challenging on several fronts, but necessary measures to break into new export markets for rubber compounds coupled with tighter cost and credit control have been implemented to mitigate the challenges ahead. Being in the export business, the Group is exposed to foreign currency exchanges risks as the Group's export revenue is mainly transacted in USD and JPY. On the other hand, the import of the raw materials such as synthetic rubber and carbon black is mainly denominated in USD. Any significant movement in foreign exchange rates will affect the Group's financial performance. Nonetheless, the Group matches its foreign-denominated sales with foreign-denominated purchases as a natural hedge to a certain degree against adverse foreign exchange fluctuations.

With the uncertainty attributable to the impact from the Covid-19 pandemic on the global market, the Board is cautiously optimistic that the prospects of the Group's financial performance for the financial year ending 31 December 2021 will remain satisfactory.

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 (con'd)**

**B4. INCOME TAX EXPENSE/(INCOME)**

	Individual Quarter		Cumulative Quarter	
	3 months ended 31.12.2020 RM	3 months ended 31.12.2019 RM	12 months ended 31.12.2020 RM	12 months ended 31.12.2019 RM
Income tax expense:-				
Current financial period/year	180,774	(389,606)	728,116	237,128
Over provision in prior years	(273,012)	(42,967)	(135,731)	(102,165)
Deferred tax:-				
Current financial period/year	199,295	569,226	259,295	137,148
(Over)/Under provision in prior years	(103,712)	(306,396)	(103,712)	98,782
Total tax expense/ (income)	<u>3,345</u>	<u>(169,743)</u>	<u>747,968</u>	<u>370,893</u>

The applicable Malaysian income tax rate is 24% for the financial year ended 31 December 2020 (24% for the financial year ended 31 December 2019).

The Group's effective tax rate for the cumulative quarter were lower than the statutory rate due to unused tax losses and unutilised reinvestment allowances available to offset against taxable profit.

**B5. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 (con'd)**

**B6. STATUS OF CORPORATE PROPOSALS**

There were no corporate proposals announced as at the date of this report.

**B7. GROUP BORROWINGS AND DEBT SECURITIES**

Total Group's borrowings (all of which are secured against the Group's assets) as at 31 December 2020 are as follows:-

	<u>Long term</u>		<u>As at 31.12.2020</u>		<u>Total borrowings</u>	
	USD	RM	USD	RM	USD	RM
Secured:						
Bankers' acceptance	-	-	2,279,620	9,157,234	2,279,620	9,157,234
Bankers' acceptance	-	-	-	8,504,012	-	8,504,012
Term loans	-	4,430,058	-	1,402,173	-	5,832,231
Bank overdrafts	-	-	-	3,281,274	-	3,281,274
<b>Total</b>		<b>4,430,058</b>		<b>22,344,693</b>		<b>26,774,751</b>

	<u>Long term</u>		<u>As at 31.12.2019</u>		<u>Total borrowings</u>	
	USD	RM	USD	RM	USD	RM
Secured:						
Bankers' acceptance	-	-	1,861,148	7,617,679	1,861,148	7,617,679
Bankers' acceptance	-	-	-	12,724,000	-	12,724,000
Term loans	-	3,881,954	-	1,240,566	-	5,122,520
Bank overdrafts	-	-	-	513,536	-	513,536
<b>Total</b>		<b>3,881,954</b>		<b>22,095,781</b>		<b>25,977,735</b>

**B8. MATERIAL LITIGATION**

There were no material litigations pending as at the date of this announcement.

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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 (con'd)**

**B9. DIVIDENDS**

The Board of Directors has declared an interim single-tier dividend of 1 sen per share, amounting to RM2,405,938 in respect of the financial year ended 31 December 2020 on 19 November 2020 and paid on 18 December 2020 to shareholders registered in the Company's Register as at 4 December 2020.

**B10. (LOSS)/EARNINGS PER SHARE**

The basic and diluted (loss)/earnings per share for the current financial quarter and current period of 31 December 2020 are computed as follows:

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	RM	RM	RM	RM
<b>Basic</b>				
(Loss)/Profit attributable to equity holders of the Company	<u>(1,189,813)</u>	<u>(22,714)</u>	<u>3,403,051</u>	<u>1,622,120</u>
Weighted average number of ordinary shares	<u>240,593,796</u>	<u>240,593,796</u>	<u>240,593,796</u>	<u>240,593,796</u>
Basic (loss)/earnings per ordinary share (sen)	<u>(0.49)</u>	<u>(0.01)</u>	<u>1.41</u>	<u>0.67</u>
<b>Diluted</b>				

The diluted (loss)/earnings per share equals basic (loss)/earnings per share because there are no potentially dilutive instruments in existence as at the end of each reporting period.



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH (4TH) QUARTER ENDED 31 DECEMBER 2020 (con'd)**

**B11. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

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

	Individual Quarter		Cumulative Quarter	
	3 months ended 31.12.2020 RM	3 months ended 31.12.2019 RM	12 months ended 31.12.2020 RM	12 months ended 31.12.2019 RM
Interest income	(72,321)	(283,283)	(303,216)	(384,678)
Other income including investment income	-	-	-	-
Interest expense	325,398	817,175	1,349,744	1,717,576
Depreciation of property, plant and equipment	1,613,070	2,789,889	6,648,394	6,426,723
Amortisation of intangible assets	-	-	-	-
Bad debts written off	-	-	-	-
Inventories written down	-	27,450	-	27,450
Reversal of inventories written down	6,055	-	6,055	-
Gain on disposal of property, plant and equipment	-	(18,248)	(14,999)	(393)
Impairment of assets	-	-	-	-
Impairment loss on trade receivables	817,024	87,963	944,202	342,742
Foreign exchange loss/ (gain) - net	(24,248)	(84,786)	(443,479)	(590,421)
Exceptional items	-	-	-	-