

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 30.09.2020 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30.09.2019 RM'000	(Unaudited) Current Year To Date 30.09.2020 RM'000	(Unaudited) Preceding Year To Date 30.09.2019 RM'000
Revenue	30,420	19,851	66,386	61,921
Operating expenses	(26,193)	(17,112)	(63,115)	(54,277)
Other income	973	383	1,665	873
Finance costs	(143)	(304)	(693)	(876)
Profit before tax	5,057	2,818	4,243	7,641
Income tax expense	(200)	(531)	(240)	(711)
Profit after tax	4,857	2,287	4,003	6,930
Other comprehensive income	-	-	-	-
Total comprehensive income	4,857	2,287	4,003	6,930
Profit after tax attributable to:				
- Owners of the Company	4,857	2,287	4,003	6,930
- Non-controlling interest	-	-	-	-
	4,857	2,287	4,003	6,930
Total comprehensive income attributable to:				
- Owners of the Company	4,857	2,287	4,003	6,930
- Non-controlling interest	-	-	-	-
	4,857	2,287	4,003	6,930
Attributable to equity holders of the Company:				
- Basic earnings per share (sen)	B10 0.97	0.46	0.80	1.39
- Diluted earnings per share (sen)	B10 0.97 ⁽²⁾	0.46 ⁽²⁾	0.80 ⁽²⁾	1.38

Notes :

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Comprehensive Income are disclosed in Note A1 and 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 report.

(2) There is no dilutive effect of the potential ordinary shares convertible from warrants issued since the exercise price is above the average market value of the Company's shares.

INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ⁽¹⁾

	(Unaudited) As At 30.09.2020 RM'000	(Audited) As At 31.12.2019 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	75,512	72,525
Right-of-use assets	3,574	3,327
Prepaid lease	5,908	2,532
	<u>84,994</u>	<u>78,384</u>
CURRENT ASSETS		
Inventories	27,054	16,063
Trade and other receivables	13,811	7,667
Current tax assets	1,875	1,932
Cash and cash equivalents	9,740	15,382
	<u>52,480</u>	<u>41,044</u>
TOTAL ASSETS	<u>137,474</u>	<u>119,428</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share Capital	51,953	51,953
Merger Deficit	(22,100)	(22,100)
Retained profits	50,050	48,547
TOTAL EQUITY	<u>79,903</u>	<u>78,400</u>
NON-CURRENT LIABILITIES		
Bank borrowings	21,446	17,396
Lease liabilities	760	452
Deferred tax liabilities	860	860
	<u>23,066</u>	<u>18,708</u>
CURRENT LIABILITIES		
Trade and other payables	23,603	15,267
Bank borrowings	10,497	6,708
Lease liabilities	405	345
	<u>34,505</u>	<u>22,320</u>
TOTAL LIABILITIES	<u>57,571</u>	<u>41,028</u>
TOTAL EQUITY AND LIABILITIES	<u>137,474</u>	<u>119,428</u>
Net assets per ordinary share (RM)	<u>0.16</u>	<u>0.16</u>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and 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 report.

INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY ⁽¹⁾

	<u>Non-distributable</u>		<u>Distributable</u>	Total equity RM'000
	Share capital RM'000	Merger deficit RM'000	Retained profits RM'000	
Unaudited				
Balance at 1 January 2019	51,953	(22,100)	43,106	72,959
Profit after tax and total comprehensive income for the financial period	-	-	6,930	6,930
Contributions by and distributions to owners of the Company:				
- Dividend	-	-	(2,500)	(2,500)
Balance at 30 September 2019	<u>51,953</u>	<u>(22,100)</u>	<u>47,536</u>	<u>77,389</u>
Unaudited				
Balance at 1 January 2020	51,953	(22,100)	48,547	78,400
Profit after tax and total comprehensive income for the financial period	-	-	4,003	4,003
Contributions by and distributions to owners of the Company:				
- Dividend	-	-	(2,500)	(2,500)
Balance at 30 September 2020	<u>51,953</u>	<u>(22,100)</u>	<u>50,050</u>	<u>79,903</u>

Note:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and 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 report.

INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS ⁽¹⁾

	(Unaudited) Current Year To Date 30.09.2020 RM'000	(Unaudited) Preceding Corresponding Year To Date 30.09.2019 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit before tax	4,243	7,641
Adjustments for:		
Depreciation	2,803	2,534
Dividend income	(15)	(179)
Fire loss on inventory work-in-progress	370	-
Loss/(Gain) on disposal of property, plant and equipment	1	(25)
Property, plant and equipment written off	154	-
Unrealised (gain)/loss on foreign exchange	(159)	7
Interest expenses	668	859
Interest income	(43)	(37)
Operating profit before working capital changes	8,022	10,800
Inventories	(11,361)	(446)
Trade and other receivables	(6,079)	2,483
Trade and other payables	9,378	(2,775)
CASH (FOR)/FROM OPERATIONS	(40)	10,062
Interest paid	(668)	(859)
Interest received	43	37
Tax paid	(183)	(449)
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(848)	8,791
CASH FLOWS FOR INVESTING ACTIVITIES		
Dividend received	15	179
Purchase of property, plant and equipment	(6,446)	(17,516)
Additions of right-of-use assets	(155)	-
Additions of prepaid lease	(3,376)	-
Proceeds from disposal of property, plant and equipment	2	25
NET CASH FOR INVESTING ACTIVITIES	(9,960)	(17,312)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Dividend paid	(2,500)	(2,500)
Net movements in trade bills	3,416	(1,981)
Drawdown of term loans	6,862	-
Repayment of term loans	(2,439)	(606)
Repayment of lease liabilities	(132)	(266)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	5,207	(5,353)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,601)	(13,874)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(41)	(47)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	15,382	25,806
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	9,740	11,885
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Short-term money market fund	-	3,528
Cash and bank balances	9,740	8,357
	9,740	11,885

Note:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and 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 report.

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

A1 Basis of Preparation

The interim financial report of Wegmans Holdings Berhad (“Wegmans” or “the Company”) and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with MFRS 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and Rule 9.22 of the Listing Requirements.

The interim financial report 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 report.

A2 Significant Accounting Policies

The significant accounting policies and presentation adopted for the interim 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 during the current financial period:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective Date
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

The Group has not applied in advance any accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the financial year ending 31 December 2020.

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

Generally, the Group’s revenue for the first (1st) quarter is slightly lower than the rest of the quarters. This is attributable to the local festive seasons, namely Chinese New Year, which affects our delivery/production schedule. Save for the above, the Group does not experience any other material seasonality or cyclical effects in revenue.

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 that were unusual because of their nature, size or incidence during the current financial quarter under review.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

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

A6 Material Changes in Estimates

There were no material changes in estimates in the current financial quarter under review.

A7 Debt and Equity Securities

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

A8 Dividends Paid

A final single tier dividend of 0.50 sen per ordinary share in respect of the financial year ended 31 December 2019 was approved by the shareholders at the annual general meeting on 29 July 2020. The dividend was subsequently paid on 28 August 2020 to depositors registered in the Record of Depositors of the Company at the close of business on 14 August 2020.

A9 Segmental Reporting

The Group is principally involved in designing, manufacturing and sale of home furniture products.

No product and services segment information is presented as the Group’s revenue, profit or loss are mainly confined to a single operating segment, namely furniture manufacturing.

Segment assets is not presented, as all non-current assets are located in Malaysia.

Segment revenue is presented based on the geographical location of the customers.

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.09.2020 RM’000	(Unaudited) 30.09.2019 RM’000	(Unaudited) 30.09.2020 RM’000	(Unaudited) 30.09.2019 RM’000
Africa	95	-	292	927
Asia (excluding Malaysia)	4,947	6,671	12,885	19,580
Australasia	3,239	2,337	6,755	5,005
Europe	1,361	994	3,882	6,317
North America	19,842	8,536	39,696	26,157
South America	314	371	867	1,034
Malaysia	622	942	2,009	2,901
Total	30,420	19,851	66,386	61,921

A10 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial quarter under review.

A11 Capital Commitments

The material capital commitments of the Group at 30 September 2020 are as follows:

Contracted but not provided for	RM’000
Purchase of property, plant and equipment	10,601
Additions to prepaid lease	2,532

**PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING
STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING (CONT’D)**

A12 Material Subsequent Events

There were no other material events subsequent to the end of the current financial period that have not been reflected in the interim financial reports for the said period as at the date of this report.

A13 Changes in the Composition of the Group

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

A14 Contingent Assets or Contingent Liabilities

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

A15 Significant Related Party Transactions

There were no related party transactions in the current financial quarter under review.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Group Performance Review

The table below illustrates the performance for the current financial quarter and current financial period against preceding year corresponding quarter and preceding corresponding financial period:

	Individual Quarter (3 rd quarter)				Cumulative Quarter (1 st to 3 rd quarter)			
	Current financial quarter ended 30.09.2020	Preceding year corresponding quarter ended 30.09.2019	Changes		Current financial period ended 30.09.2020	Preceding corresponding financial period ended 30.09.2019	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	30,420	19,851	10,569	53.24	66,386	61,921	4,465	7.21
Profit Before Tax	5,057	2,818	2,239	79.45	4,243	7,641	(3,398)	(44.47)

The Group's revenue for the current financial quarter ended 30 September 2020 has increased by RM10.57 million or 53.24% to approximately RM30.42 million as compared to approximately RM19.85 million in the preceding year corresponding quarter ended 30 September 2019.

For the financial period ended 30 September 2020, the Group's revenue has increased by RM4.47 million or 7.21% to approximately RM66.39 million as compared to approximately RM61.92 million in the preceding corresponding financial period ended 30 September 2019.

The higher revenue was mainly attributed to higher sales volume from North America.

The Group registered a profit before tax of approximately RM5.06 million for the current financial quarter ended 30 September 2020 as compared to profit before tax of approximately RM2.82 million for the preceding year corresponding quarter ended 30 September 2019. The improvement in profit before tax was mainly attributed to higher revenue generated.

For the current financial period ended 30 September 2020, the Group registered a profit before tax of approximately RM4.24 million as compared to profit before tax of approximately RM7.64 million for the preceding corresponding financial period ended 30 September 2019. The lower profit before tax was mainly affected by the imposition of the Movement Control Order ("MCO") from 18 March 2020 and COVID-19 pandemic.

B2 Comparison with Immediate Preceding Quarter Results

For the current financial quarter ended 30 September 2020, the Group's revenue has increased by RM16.32 million or 115.73% to approximately RM30.42 million as compared to approximately RM14.10 million in the preceding financial quarter ended 30 June 2020. The higher revenue was mainly attributed to higher sales volume from North America as compared to preceding financial quarter.

The Group registered a profit before tax of approximately RM5.06 million for the current financial quarter as compared to loss before tax of approximately RM1.30 million for the preceding financial quarter. The improvement in profit before tax was mainly attributed to higher revenue generated.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B3 Prospects for the Current Financial Year

The Group is principally involved in the design, manufacture and sale of home furniture products, where it operates in 4 principal geographical areas (i.e. Asia, North and South America, Australasia and Europe). The furniture industries the Group operates in are highly sensitive to macroeconomic factors particularly the general economy and uncertainties surrounding the future economic prospects of the countries it exports to.

In view of the weak market sentiments following the outbreak of COVID-19, the Group will endeavour to increase its product range and designs in addition to identifying export markets which will face a greater economic recovery rate from COVID-19. This will help the Group to expand and diversify its customer base in order to enhance its resilience to face any future crisis.

The Group believes that 2020 will be a challenging year. However, the Group has identified a window of opportunity where we can capitalise on. Our target export market is North America especially the United States of America where the demand remains healthy despite the pandemic.

In addition, the Board will continue to monitor the status and progress of COVID-19 and will regularly review the performance and progress of the Group's operations and financial performance as well as introduce measures to minimise its operating costs, if required. The Board expects that the Group's prospects for the financial year ending 31 December 2020 to be challenging but satisfactory.

B4 Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Company did not issue any profit forecast or profit guarantee in the current financial quarter under review.

B5 Income tax expense

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.09.2020 RM'000	(Unaudited) 30.09.2019 RM'000	(Unaudited) 30.09.2020 RM'000	(Unaudited) 30.09.2019 RM'000
Current tax expense :				
Current financial period	200	130	240	310
Overprovision in previous financial year	-	(9)	-	(9)
	<u>200</u>	<u>121</u>	<u>240</u>	<u>301</u>
Deferred tax :				
Origination of temporary differences	-	410	-	410
	<u>-</u>	<u>410</u>	<u>-</u>	<u>410</u>
Total income tax expense	<u>200</u>	<u>531</u>	<u>240</u>	<u>711</u>

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B6 Status of Corporate Proposals

Save as disclosed below, there were no other corporate proposals announced but not completed at the date of this report:

- (a) On 27 February 2019, Wegmans Woodwork Sdn. Bhd., a wholly-owned subsidiary of the Company entered into 4 Sale and Purchase Agreements to acquire 4 pieces of leasehold land measuring a total of approximately 12.11 acres all held under Master Title known as H.S.(D) 38459, PTD 13399, H.S(D) 38460, PTD 13400, Geran 50191, Lot 8531, situated in the Mukim of Jalan Bakri, District of Muar, Johor Darul Takzim in respect of which titles have yet to be issued for a total purchase consideration of RM8.44 million; and
- (b) On 21 August 2020, the Company had announced that the Company proposes to undertake a proposed bonus issue of up to 156,250,000 free warrants in the Company ("Warrant(s)") on the basis of one (1) Warrant for every four (4) existing ordinary shares in the Company held on an entitlement date to be determined and announced later ("Proposed Bonus Warrants"). The Warrants have a tenure of three (3) years commencing from and inclusive of the date of the issue of the Warrants i.e. 20 October 2020. The exercise price of the Warrants is RM0.235 per Warrant.

Subsequently, the Proposed Bonus Warrants was approved by the shareholders of the Company at an extraordinary general meeting held on 1 October 2020. It was completed on 26 October 2020, following the listing and quotation of 124,999,999 Warrants B on the Main Market of Bursa Malaysia Securities Berhad.

B7 Group Borrowings and Debt Securities

Total Group's borrowings (all of which are secured against the Group's assets) are as follows:

	(Unaudited) As at 30.09.2020 RM'000	(Unaudited) As at 30.09.2019 RM'000
Non-current:		
Lease liabilities	760	521
Term loans	21,446	16,059
	<u>22,206</u>	<u>16,580</u>
Current:		
Trade bills	5,915	2,797
Lease liabilities	405	368
Term loans	4,582	3,198
	<u>10,902</u>	<u>6,363</u>
Total borrowings	<u>33,108</u>	<u>22,943</u>

All the above borrowings are denominated in Ringgit Malaysia.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B8 Fair Value Changes of Financial Liabilities

The Group has recognised the following gain arising from fair value changes of derivatives as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.09.2020 RM'000	(Unaudited) 30.09.2019 RM'000	(Unaudited) 30.09.2020 RM'000	(Unaudited) 30.09.2019 RM'000
Fair value gain on derivatives ⁽¹⁾	(27)	-	-	-

Note:

- (1) The fair value changes were attributed to changes in the foreign exchange spot and forward rates.

Saved as disclosed above, the Group does not have any financial assets or liabilities that are measured at fair value for the current financial quarter ended 30 September 2020.

B9 Material Litigation

As at 17 November 2020, save as disclosed below, Wegmans Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board of Directors does not have any knowledge of any proceedings pending or threatened against Wegmans Group or of any facts likely to give rise to any proceedings which may materially affect the financial position or business of Wegmans Group:

- (i) The Company and Wegmans Furniture Industries Sdn Bhd ("Wegmans Furniture"), a wholly-owned subsidiary of the Company, received a letter dated 16 July 2020 from the solicitors of the owner of an adjacent piece of land known as GRN 27757, Lot 2439, Mukim Parit Jawa, Daerah Muar, Negeri Johor ("Land") claiming for certain losses and damages over excessive surface runoff discharging which flowed to the Land on 20 June 2020 due to the collapse of a certain portion of the retaining structure on the land owned and occupied by Wegmans Furniture ("Flood Incident").

Wegmans Furniture has in turn referred the claim to its main contractor which constructed the retaining structure. Investigations have been initiated by the insurance company of the main contractor for the cause of loss due to the Flood Incident. As at 1 September 2020, Wegmans Furniture was informed by its main contractor's insurance adjuster that the investigation for the cause of loss due to the Flood Incident is still ongoing. Pending the results of such investigation, the Board of Directors has decided to seek legal advice as to whether the Company and/or Wegmans Furniture will be liable for the claim and if so, the quantum of such claim.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 30 SEPTEMBER 2020

PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)

B10 Earnings Per Share

The basic and diluted earnings per share for the current financial quarter and current financial year to date are computed as follows:

	Individual Quarter		Cumulative Quarter	
	(Unaudited) 30.09.2020	(Unaudited) 30.09.2019	(Unaudited) 30.09.2020	(Unaudited) 30.09.2019
Profit after tax attributable to owners of the Company (RM'000)	4,857	2,287	4,003	6,930
Weighted average number of ordinary shares in issue ('000)	500,000	500,000	500,000	500,000
Basic earnings per share (sen)	0.97	0.46	0.80	1.39
Profit after tax attributable to owners of the Company (RM'000)	4,857	2,287	4,003	6,930
Weighted average number of ordinary shares for diluted earnings per ordinary share computation ('000)	500,000	500,000	500,000	503,524
Diluted earnings per share (sen)	0.97 ⁽¹⁾	0.46 ⁽¹⁾	0.80 ⁽¹⁾	1.38

Note:

(1) There is no dilutive effect of the potential ordinary shares convertible from warrants issued since the exercise price is above the average market value of the Company's shares.

B11 Notes to the Statement of Comprehensive Income

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

	(Unaudited) Current Year Quarter 30.09.2020 RM'000	(Unaudited) Current Year To Date 30.09.2020 RM'000
Interest income	(5)	(43)
Loss/(Gain) on foreign exchange	249	(511)
Insurance claim on fire	(858)	(858)
Depreciation	939	2,803
Fair value gain on derivatives	(27)	-
Fire damage on property, plant and equipment	-	281
Fire loss on inventory work-in-progress	-	370
Interest expenses	137	668
Loss on disposal of property, plant and equipment	-	1
Property, plant and equipment written off ⁽¹⁾	-	154

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

Note:

(1) This represents the property, plant and equipment written off due to fire damage.

**PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA
SECURITIES (CONT'D)**

B12 Proposed Dividends

The Board of Directors does not recommend any dividend for the current financial quarter under review.

BY ORDER OF THE BOARD

**TAN HUI KHIM (LS 0009936)
NG MEI WAN (MIA 28862)
COMPANY SECRETARIES**

**JOHOR
23 November 2020**