



SPRING ART HOLDINGS BERHAD

COMPANY NO: 201801016143 (1278159-A)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED 31 DECEMBER 2019**

SPRING ART HOLDINGS BERHAD
COMPANY NO: 201801016143 (1278159-A)
UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019 (a)

	Unaudited As At 31.12.2019 RM'000	Audited As At 31.12.2018 RM'000
ASSETS		
Non-current asset		
Property, plant and equipment	33,190	31,058
Right-of-use assets	98	-
Total non-current asset	33,288	31,058
Current Assets		
Inventories	7,479	6,777
Trade receivables	4,394	5,854
Other receivables	1,947	2,773
Derivatives financial instruments	145	17
Short term investments	18,061	-
Fixed deposits with licensed bank	11,501	1,401
Cash and bank balances	3,395	2,271
Total current assets	46,922	19,093
TOTAL ASSETS	80,210	50,151
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company:-		
Share capital	54,754	500
Revaluation reserve	7,264	7,431
Merger deficit	(31,300)	-
Retained profits	33,279	28,123
Total equity	63,997	36,054
LIABILITIES		
Non-current Liabilities		
Borrowings	5,575	6,185
Lease liabilities	20	-
Deferred tax liabilities	2,966	2,599
Total non-current liabilities	8,561	8,784
Current Liabilities		
Trade payables	4,631	2,912
Other payables	1,840	1,358
Borrowings	619	592
Lease liabilities	78	-
Tax payable	484	451
Total current liabilities	7,652	5,313
Total liabilities	16,213	14,097
TOTAL EQUITY AND LIABILITIES	80,210	50,151
Net asset per share (RM)	0.15	72.11

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 October 2019 and the accompanying explanatory notes attached to this interim financial report.
- (b) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting period (2019 : 415,687,000 shares ; 2018 : 500,200 shares)



SPRING ART HOLDINGS BERHAD
COMPANY NO: 201801016143 (1278159-A)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 (a)

	Preceding		CUMULATIVE QUARTER	
	INDIVIDUAL QUARTER		Unaudited	Audited
	Unaudited Current Year Quarter 31.12.2019 RM'000	Preceding Year Corresponding Quarter 31.12.2018 (b) RM'000	Current Year -To-Date 31.12.2019 RM'000	Preceding Year -To-Date 31.12.2018 RM'000
Revenue	17,285	N/A	61,431	50,382
Cost of Sales	(12,715)	N/A	(43,582)	(36,000)
Gross Profit ("GP")	4,570	N/A	17,849	14,382
Other income	353	N/A	344	842
Selling and distribution expenses	(451)	N/A	(2,094)	(1,569)
Administrative expenses (c)	(2,798)	N/A	(5,235)	(3,153)
Other expenses	(129)	N/A	(120)	(1,753)
Finance costs	(69)	N/A	(302)	(316)
Profit before tax ("PBT")	1,476	N/A	10,442	8,433
Tax expense	(582)	N/A	(2,373)	(2,204)
Profit after tax ("PAT")	894	N/A	8,069	6,229
Other comprehensive income net of tax	-	N/A	-	7,514
Total comprehensive income for the financial period	894	N/A	8,069	13,743
Profit for the financial period attributable to :				
Owners of the Company	894	N/A	8,069	6,229
	894	N/A	8,069	6,229
Total comprehensive income for the financial period attributable to :				
Owners of the Parent	894	N/A	8,069	13,743
	894	N/A	8,069	13,743
Basic earnings per share (in sen) (d)	0.48	N/A	4.35	1,245.45
Diluted earnings per share (in sen) (e)	0.48	N/A	4.35	1,245.45

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 October 2019 and the accompanying explanatory notes attached to this interim financial report.
- (b) This is the second interim financial report announced in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities Listing Requirements"). There are no comparative figures for the preceding quarter available.
- (c) Administrative expenses included one-off listing expenses of RM 1.95 million in cumulative quarters. For illustration purpose only, the Group's normalised financial performance after adjusting for the one-off listing expenses are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Preceding Year Corresponding Quarter		Current Year-to- Date	Preceding Year-to- Date
	31.12.2019 RM'000	31.12.2018 (b) RM'000	31.12.2019 RM'000	31.12.2018 RM'000
PBT	1,476	N/A	10,442	8,433
Add : Listing Expenses	1,912	N/A	1,948	-
Adjusted PBT	3,388	N/A	12,390	8,433

- (d) Basic earnings per share is calculated based on the weighted average number of ordinary shares in the Company in issuance of 97,687,000 shares for the individual quarter and 415,186,800 shares for the cumulative quarter.
- (e) Diluted earnings per share of the Company for the individual quarter ended 31 December 2019 and year-to-date ended 31 December 2019 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

N/A – Not applicable

SPRING ART HOLDINGS BERHAD
COMPANY NO: 201801016143 (1278159-A)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 (a)

	Non-distributable			Distributable	
	Share Capital RM'000	Revaluation reserve RM'000	Merger reserve RM'000	Retained Profits RM'000	Total Equity RM'000
	Preceding Year				
Audited					
Balance as at 1 January 2018	500	-	-	26,311	26,811
Total comprehensive income for the financial year	-	7,514	-	6,229	13,743
Realisation of revaluation reserve upon depreciation of revalued assets	-	(83)	-	83	-
Transactions with owners:-					
Issuance of shares	-	-	-	-	-
Dividend paid	-	-	-	(4,500)	(4,500)
Balance as at 31 December 2018 (Audited)	500	7,431	-	28,123	36,054
Total comprehensive income for the financial year	-	-	-	8,069	8,069
Realisation of revaluation reserve upon depreciation of revalued assets	-	(167)	-	167	-
Transactions with owners:-					
Dividend paid	-	-	-	(3,080)	(3,080)
Issue of ordinary shares	24,422	-	-	-	24,422
Share issuance expenses	(1,468)	-	-	-	(1,468)
Effect arising from merger method of accounting	31,300	-	(31,300)	-	-
Balance as at 31 December 2019 (Unaudited)	54,754	7,264	(31,300)	33,279	63,997

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 October 2019 and the accompanying explanatory notes attached to this
- (b) The share capital as at 25 April 2018 is RM20.

SPRING ART HOLDINGS BERHAD
COMPANY NO: 201801016143 (1278159-A)
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 (a)

	CUMULATIVE QUARTER	
	Unaudited Current Year -To-Date 31.12.2019 RM'000	Audited Preceding Year 31.12.2018 RM'000
Cash flows from operating activities		
Profit before tax	10,442	8,433
Adjustments for :		
Depreciation of property, plant and equipment	1,942	1,903
Depreciation of right-of-use assets	78	-
Fair value (gain) / loss on derivative financial instruments	(128)	88
Gain on disposal of property, plant & equipments	-	(766)
Impairment loss on revaluation of property, plant & equipment	-	1,520
Finance costs	301	316
Interest income	(178)	(76)
Unrealised foreign exchange loss	120	51
Operating cash flows before changes in working capital	<u>12,577</u>	<u>11,469</u>
(Increase) in inventories	(701)	(827)
Decrease / (increase) in trade and other receivables	2,235	(2,483)
Increase in trade and other payables	106	1,597
Cash generated from operations	<u>14,217</u>	<u>9,756</u>
Income tax paid	(1,966)	(2,441)
Interest paid	(295)	(316)
Net cash from operating activities	<u>11,956</u>	<u>6,999</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,074)	(7,395)
Proceeds from disposal of property, plant and equipment	-	10
Interest received	178	76
Net cash used in investing activities	<u>(3,896)</u>	<u>(7,309)</u>
Cash flows from financing activities		
Dividend paid	(980)	(4,500)
Drawdown of term loans	-	4,000
Repayment of principal portion of lease liabilities	(84)	-
Repayment of Term Loans	(584)	(460)
Proceeds from issuance of ordinary shares	22,954	-
Net cash flows from / (used in) financing activities	<u>21,306</u>	<u>(960)</u>
Net increase in cash and cash equivalents	29,366	(1,270)
Effect of exchange rate changes on cash and cash equivalents	(81)	1
Cash and cash equivalents at beginning of financial year	3,672	4,941
Cash and cash equivalents at end of financial year	<u><u>32,957</u></u>	<u><u>3,672</u></u>
Cash and cash equivalents included in the cash flow statements comprise the followings:		
Cash and bank balances	3,395	2,271
Fixed deposits with a licensed bank	11,501	1,401
Money market fund	18,061	-
	<u><u>32,957</u></u>	<u><u>3,672</u></u>

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus dated 16 October 2019 and the accompanying explanatory notes attached to this interim financial report.