

# **CYMAO HOLDINGS BERHAD**

(Company No. 445931 - U)  
(Incorporated in Malaysia)

## **INTERIM FINANCIAL STATEMENTS**

**FOR THE FOURTH  
QUARTER ENDED**

**31ST DECEMBER 2019**

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 - UNAUDITED**

	Individual Period (4th Quarter)		Changes Amount	Changes (%)	Cumulative Period Audited		Changes Amount	Changes (%)
	Current Year Quarter 31.12.2019 RM'000	Preceding Year Corresponding Quarter 31.12.2018 RM'000			Current Year To- date 31.12.2019 RM'000	Preceding Year Corresponding Period 31.12.2018 RM'000		
	Revenue	11,913	17,574	(5,661)	(32.21)	46,282	88,034	(41,752)
Cost of sales	(13,705)	(16,548)	2,843	(17.18)	(53,689)	(81,879)	28,190	(34.43)
<b>Gross profit/(loss)</b>	(1,792)	1,026	(2,818)	(274.66)	(7,407)	6,155	(13,562)	(220.34)
Other income	(174)	(120)	(54)	45.00	11,687	1,193	10,494	879.63
Other operating expenses	(1,029)	(196)	(833)	425.00	(997)	(393)	(604)	153.69
Impairment loss on receivables	(82)	-	(82)	-	(82)	136	(218)	(160.29)
Administrative expenses	(1,247)	(1,090)	(157)	14.40	(5,585)	(6,477)	892	(13.77)
Selling and marketing expenses	(654)	(944)	290	(30.72)	(2,367)	(4,601)	2,234	(48.55)
Interest income	1	5	(4)	(80.00)	201	30	171	570.00
Finance costs	(132)	(177)	45	(25.42)	(457)	(424)	(33)	7.78
Share loss in joint venture	-	51	(51)	(100.00)	-	(11)	11	(100.00)
<b>Profit/(Loss) before tax</b>	(5,109)	(1,445)	(3,664)	253.56	(5,007)	(4,392)	(615)	14.00
Income tax expenses	330	106	224	-	330	105	225	-
<b>Profit/(Loss) net of tax</b>	(4,779)	(1,339)	(3,440)	256.91	(4,677)	(4,287)	(390)	9.10
<b>Total comprehensive profit/(loss) attributable to:</b>								
Owners of the Company	(4,779)	(1,339)	(3,440)	256.91	(4,677)	(4,287)	(390)	9.10
<b>Profit/(Loss) attributable to:</b>								
Owners of the Company	(4,779)	(1,339)	(3,440)	256.91	(4,677)	(4,287)	(390)	9.10
Non-controlling interest	-	-	-	-	-	-	-	-
<b>Profit/(Loss) for the period</b>	(4,779)	(1,339)	(3,440)	256.91	(4,677)	(4,287)	(390)	9.10
<b>Total comprehensive profit/(loss) attributable to:</b>								
Owners of the Company	(4,779)	(1,339)	(3,440)	256.91	(4,677)	(4,287)	(390)	9.10
Non-controlling interest	-	-	-	-	-	-	-	-
<b>Total comprehensive profit/(loss) for the period</b>	(4,779)	(1,339)	(3,440)	256.91	(4,677)	(4,287)	(390)	9.10
<b>Basic Profit/(Loss) per ordinary share (sen):</b>								
Profit/(Loss) from continuing operations	(6.52)	(1.83)	(4.69)	256.91	(6.38)	(5.85)	(0.53)	9.10

The above Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**CYMAO HOLDINGS BERHAD**

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**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 - UNAUDITED**

	Current Quarter 31.12.2019	Immediate Preceding Quarter 30.09.2019	Changes Amount	Changes (%)
Revenue	11,913	12,149	(236)	-1.94%
Operating (Loss)	(5,109)	(277)	(4,832)	1744.40%
(Loss) Before Interest and Tax	(5,110)	(287)	(4,823)	1680.49%
(Loss) Before Tax	(5,109)	(277)	(4,832)	1744.40%
(Loss) After Tax	(4,779)	(277)	(4,502)	1625.27%
(Loss) Attributable to Ordinary Equity Holders of the Parent	(6.52)	(0.38)	(6)	1615.79%

**CYMAO HOLDINGS BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019 - UNAUDITED**

	As at 30.12.2019 (Unaudited) RM'000	As at 31.12.2018 (Audited) RM'000
<b>ASSETS</b>		
Property, plant and equipment	28,162	30,351
Land use right	733	786
<b>Total non-current assets</b>	<u>28,895</u>	<u>31,137</u>
Inventories	29,223	29,478
Trade receivables	5,682	9,281
Other receivables	4,238	6,130
Tax refundable	445	969
Cash and bank balances	1,344	3,306
	<u>40,932</u>	<u>49,164</u>
Assets clasiffed as held for sale	-	2,761
<b>Total assets</b>	<u>69,827</u>	<u>83,062</u>
<b>Equity</b>		
Share capital	92,374	92,374
Treasury shares	(694)	(694)
Accumulated losses	(38,463)	(33,414)
<b>Total equity</b>	<u>53,217</u>	<u>58,266</u>
<b>LIABILITIES</b>		
Borrowings - Long term	1,510	1,918
Deferred tax liabilities	1,188	1,524
<b>Total non-current liabilities</b>	<u>2,698</u>	<u>3,442</u>
Borrowings - Short term	8,155	9,528
Trade payables	3,647	7,771
Other payables	2,110	4,055
Tax payables	-	-
<b>Total current liabilities</b>	<u>13,912</u>	<u>21,354</u>
<b>Total liabilities</b>	<u>16,610</u>	<u>24,796</u>
<b>Total equity and liabilities</b>	<u>69,827</u>	<u>83,062</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<u>0.73</u>	<u>0.79</u>

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

**CYMAO HOLDINGS BERHAD**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES EQUITY  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED**

	Attributable to Equity Holders of the Company			
	Non-Distributable	Distributable		
	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total Equity RM'000
<b>At 1 January 2018</b>	92,374	(694)	(29,127)	62,553
Total comprehensive loss for the 12-month period	-	-	(4,287)	(4,287)
<b>At 31 December 2018</b>	<u>92,374</u>	<u>(694)</u>	<u>(33,414)</u>	<u>58,266</u>
<b>At 1 January 2019</b>	92,374	(694)	(33,414)	58,266
Opening Adjustment			(372)	(372)
Total comprehensive loss for the 12-month period	-	-	(4,677)	(4,677)
<b>At 31 December 2019</b>	<u>92,374</u>	<u>(694)</u>	<u>(38,463)</u>	<u>53,217</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED**

	12 months ended	
	31.12.2019 (Unaudited) RM'000	31.12.2018 Audited RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(5,007)	(4,392)
Adjustments for:		
Depreciation of property, plant and equipment	2,912	3,618
Amortisation of land use right	53	53
Impairment on financial assets	-	(136)
Gain on disposal of property, plant and equipment	(9,112)	(20)
Property, plant and equipment written off	-	84
Allowance for slow moving inventories	-	112
Bad debts recovered	-	395
Loss on disposal of investment	-	10
Interest income	(201)	(30)
Finance costs	457	424
Liabilities no longer in existence written off	-	(9)
Share of loss of share in joint venture	-	11
Operating cash flow before working capital changes	<u>(10,898)</u>	<u>120</u>
Increase/(Decrease) in inventories	255	(7,931)
Decrease/(Increase) in receivables	5,491	(234)
(Decrease)/Increase in payables	<u>(6,069)</u>	<u>4,774</u>
Cash (used in) operations	(11,221)	(3,271)
Interest paid	(457)	(424)
Net tax paid	524	(187)
Net cash (used in) operating activities	<u>(11,154)</u>	<u>(3,882)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(1,124)	(1,305)
Proceeds from disposal of property, plant and equipment	11,901	20
Proceeds from disposal of investment on joint venture	-	29
Interest received	201	30
Net cash generated from/(used in) investing activities	<u>10,978</u>	<u>(1,226)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bankers' acceptance drawn down	25,883	23,472
Short Term Loan	(102)	(144)
Repayment of term loan	(408)	(147)
Repayment of bankers' acceptance	<u>(26,408)</u>	<u>(21,236)</u>
Net cash (used in)/ generated from financing activities	<u>(1,035)</u>	<u>1,945</u>
<b>Net (decrease) in cash and cash equivalents</b>	(1,211)	(3,163)
<b>Cash and cash equivalents at beginning of financial period</b>	<u>2,296</u>	<u>5,459</u>
<b>Cash and cash equivalents at end of financial period</b>	<u><u>1,085</u></u>	<u><u>2,296</u></u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED**

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Cash and cash equivalents at the end of financial period comprise of the followings:

	<b>As at 31.12.2019 (Unaudited) RM'000</b>	<b>As at 31.12.2018 (Unaudited) RM'000</b>
Cash in hand and at bank	1,344	3,306
Bank overdraft	(259)	(1,010)
Cash and bank balances	<u>1,085</u>	<u>2,296</u>

The above Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and accompanying explanatory notes attached to these interim financial statements.

## **CYMAO HOLDINGS BERHAD**

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### **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED**

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#### **1 Corporate Information**

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at MPT 4604, 3rd Floor, Lot 15 - 16, Block B, Bandaran Baru, Jalan Baru, 91000 Tawau, Sabah. The principal place of business of the Company is located at 8.7 KM, Jalan Batu Sapi, 90000 Sandakan, Sabah.

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are manufacturing and sale of veneer, plywood, decorative plywood, blockboard and sale and extraction of log timbers. There have been no significant changes in the nature of these principal activities during the financial year.

#### **2 Basis of Preparation**

These condensed consolidated interim financial statements (Condensed Report) for the period ended 31 December 2019, have been prepared in accordance with Malaysian Financial Reporting Standard (MFRS) 134 "*Interim Financial Reporting*" and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2019.

The accounting policies used in the preparation of interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2019. These explanatory notes attached to 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 Group since the financial year ended 31 December 2019.

#### **3 Significant Accounting Policies**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2019, except for the adoption of the following new/revised MFRSs and amendments to MFRSs:

MFRS 15: Revenue from Contracts with Customers

MFRS 9: Financial Instruments



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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
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**3 Significant Accounting Policies**

Effective for financial periods beginning on or after 1 January 2019:

MFRS 16 : Leases

IC interpretation 23 uncertainty over income tax treatments

Amendments to MFRS 112 (Annual improvement to MFRS standard 2015 - 2017 cycle)

Effective for financial periods beginning on or after 1 January 2020:

Destination of material (Amendments to MFRS 101 and MFRS 108)

Destination of a Business (Amendments to MFRS 3)

Revised Conceptual Framework for Financial Reporting

Sale or contribution of assets between an investor and its associate or joint venture -

Amendments to MFRS 10 and MFRS 128

The adoption of the above revised MFRSs, and Amendment do not have any significant financial impact on the Group.

**4 Auditors' Report**

The auditors' report on the financial statements of the Group for the year ended 31 December 2019 was not qualified.

**5 Seasonality of operations**

The Group's business operation and performance are to a certain extent affected by weather conditions especially on the supply of logs.

**6 Unusual Items due to their Nature, Size or Incident**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the quarter under review.

**7 Changes in Estimates**

There was no estimation of amount used in the preceding reporting having a material effect in the current reporting quarter.

**8 Dividend Paid**

There was no dividend paid by the Group during the current quarter.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED**

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**9 Carrying Amount of Revalued Assets**

There were no brought forward valuations of property, plant and equipment from the year ended 31 December 2019 and there were no valuations of property, plant and equipment carried out during the current financial year-to-date.

**10 Debt and Equity Securities**

There were no issuances, cancellations, resale and repayments of debt and equity securities during the quarter under review.

**11 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the reporting quarter.

**12 Segmental Information**

No segmental information has been presented as the Group activities are predominantly in Malaysia.

**13 Capital Commitments**

There were no capital commitments for the quarter ended 31 December 2019.

**14 Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last statement of financial position as at 31 December 2018 and up to the date of this report.

**15 Subsequent Events**

There were no material subsequent events to the end of the current quarter.

**16 Trade Receivables**

The trade receivable turnover is 51 days which is within the industry average. Export sales are through Letter of Credit. The Group has not experienced any debt issues with the customers as the customers are long established and reliable.

There are no write down of debts during the quarter.

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### EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED

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#### 17 Performance Review

##### Turnover

The quarter registered a turnover of RM11.913 million a decrease in turnover of RM5.661 million as compared to preceding year corresponding period of RM17.574 million last year. The decrease in turnover is mainly due to sluggish demand on international export market and local domestic demand and a drop in pricing. The average sales volume of 1,677 m3 per month this quarter is 32.68% less than 2,491 m3 average sale volume for 2018 same quarter. Production volume for plywood and veneer decreased by 2,077 m3 from 7,727 to 5,650 m3, a decrease of 26.88% for this quarter as compared to the preceding year corresponding quarter.

##### Profit/(Loss) before Tax

The Group registered a loss of RM5.109 million as compared to a loss before tax of RM1.445 million in the preceding year corresponding quarter. The loss is mainly due to less demand on international export market and local domestic demand and drop in pricing. The loss is also due to a write down of stock in Sandakan amounting to RM1.057 million and a provision on slow moving stock in Cymao Klang amounting to RM0.864 million.

The results of the operations-Profit/(Loss):

	31.12.2019	31.12.2018
	RM'000	RM'000
Sandakan	(3,151)	(243)
Poly-Ply Klang	(116)	(349)
Cymao Klang	(1,443)	(714)
Other Companies	(399)	(139)
Group profit/(loss)	<u>(5,109)</u>	<u>(1,445)</u>

The increase in operation loss is due to lower export and local sales and production especially in Sandakan and the write down of stock. The loss in Polyply Klang is from its operations on lamination fee received and on value add products sold. Cymao Klang on trading of plywood still incurred a loss due to poor local market demand and drop in pricing and the provision on slow moving stock as stated above.

##### Comparison with immediate preceding quarter's result:

Despite an decrease in revenue of RM0.236 million as compared to the immediate preceding quarter, the sales for both quarter were very low due to less export and local sales and lower prices. The loss for the quarter is mainly due to lower selling prices while the production cost has not reduced correspondingly.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED****17 Performance Review****Comparison with immediate preceding quarter's result:**

The changes in sales volumes can be analyzed as follows:

	31.12.2019	30.09.2019	Net change
Sandakan mills : Export (m3)	3,218	2,901	317
: Local (m3)	450	610	(160)
	<u>3,668</u>	<u>3,511</u>	<u>157</u>
Poly-Ply at Klang : Export (m3)	176	393	(217)
: Local (m3)	4	-	4
	<u>180</u>	<u>393</u>	<u>(213)</u>
Cymao at Klang : Export (m3)	-	-	-
: Local (m3)	1,182	1,689	(507)
	<u>1,182</u>	<u>1,689</u>	<u>(507)</u>

Sandakan recorded an increase of 157 m3 sales and Polyply Klang recorded a decrease of 213 m3 sales for this quarter as compared to the immediate preceding quarter. Even the sales have improved in Sandakan, it also incurred a loss as it made a gross loss before other expenses. Cymao Klang recorded a decrease in sale of 507 m3, it registered a loss as it incurred gross loss also. Polyply made a loss as its gross margin deteriorated in the quarter.

**Group's Prospect:**

The logs supply has maintained in the last quarter in Sandakan but both the export prices and local prices have decreased thus resulting in Sandakan making a loss even with improved quality and recovery. The international export market has showed signs of weakness with the reduced pricing. Local market sale is still slow in the quarter with price reducing. The Group is focusing more on export sales to capture the better margin.

Klang operation has slowed down due to a slow demand for value-added plywood products. The challenge is for the Klang operation management to fix the situation and put more efforts to capture more customers and to manage the cost to bring the Klang operation to a better profitability. It is focusing on providing lamination services to contain the operation costs.

Cymao Plywood Sdn Bhd after taking over the stock from Jengka will trade plywood in Klang focusing on West Malaysia local market under Cymao Klang operation. It is focusing on clearing the stock taken over from Jengka operation.

Overall, the prospect for the Group is very challenging as export plywood prices have decreased and local market demand is very slow with low pricing. Couple reduced demand with the reduced pricing, the operation is going to be very challenging. The Group is therefore focusing on capturing more export sales and with concerted efforts to contain the production cost and to improve quality. The Group will focus on Sandakan and Klang with no more expansion plan. The Group will focus on plywood production in Sandakan as logs supply is more stable and logs prices also stabilising which is positive. Klang will focus on selling to local market and lamination boards production and servicing.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2019 - UNAUDITED****18 Bank Borrowing**

The total banking facilities of the Group remained at RM14 million comprising of trade facilities of RM10 million, overdraft of RM2 million and loan of RM2 million.

The average interest rate charged by the banks were 4.50% - 7.50%

**Borrowings (Secured)**

As at 4th quarter ended 2019						
	Long Term		Short Term		Total Borrowings	
	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination
<b>Secured</b>						
Banker Acceptance	-	-	-	7,495	-	7,495
Term Loan	-	1,617	-	-	-	1,617
Hire Purchase	-	-	-	294	-	294
Bank Overdraft	-	-	-	259	-	259
<b>Unsecured</b>						
Banker Acceptance	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-
As at 4th quarter ended 2018						
	Long Term		Short Term		Total Borrowings	
	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination	Foreign denomination ^	RM denomination
<b>Secured</b>						
Banker Acceptance	-	-	-	8,398	-	8,398
Term Loan	-	1,624	-	-	-	1,624
Hire Purchase	-	-	-	414	-	414
Bank Overdraft	-	-	-	1,010	-	1,010
<b>Unsecured</b>						
Banker Acceptance	-	-	-	-	-	-
Term Loan	-	-	-	-	-	-
Bank Overdraft	-	-	-	-	-	-

All the borrowings are denominated in Ringgit Malaysia.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
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The valuation for the fixed assets of the Group amounted to RM44,720 million as at 31 December 2016 and the net book value is RM28,162 million as at 31 December 2019. Therefore, there is no impairment provision required for this quarter.

**20 Commentary on Prospects**

The Group is consciously endeavouring to strengthen its competitive advantage in term of quality, recovery rate and operational efficiency to improve the margin of its products. In addition, the Group has managed to secure its timber rights extraction, with the ban of logs export in Sabah, logs supply situation has improved. However, with the reduce demand in export and local market and the weak prices, the prospect is very challenging. Management has to focus on fixing these challenges as the core operation of the Group is still in plywood manufacturing.

**Marketing strategy**

The Group will continue to focus on USD export market to take advantage of the Dollar value and the higher price. With the improved quality and raw material sourcing, it is expected this strategy will accrue more benefit to the Group.

**Business opportunity**

The Group will continue to explore positive business opportunities to enhance the core performance of the Group. In the short to medium term, the Group will focus on consolidating the two operations of the Group-Sandakan and Klang.

**21 Profit Forecast/Profit Guarantee**

Not applicable as the Group has not provided any profit forecast or profit guarantee for the quarter ended 31 December 2019.

**22 Additional disclosure - Profit/(Loss) before tax**

	<b>Current quarter 3 months ended</b>		<b>Cumulative quarter 12 months ended</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>31.12.2019</b>	<b>31.12.2018</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>	<b>RM' 000</b>
Profit/(Loss) before tax is arrived at after				
Amortisation and depreciation	904	1,105	2,965	3,802
Gain on disposal of plant and equipment	-	-	-	20
Interest expense	132	177	457	424
Interest income	1	5	201	30

There were no impairment loss on receivables, gain or loss on disposal of quoted or unquoted investment and other exceptional items for the current quarter under review and financial year-to-date.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 - UNAUDITED**

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**23 Income Tax expense**

	<b>Current quarter 3 months ended 31.12.2019 (Unaudited) RM' 000</b>	<b>Year To-date 12 months ended 31.12.2019 (Unaudited) RM' 000</b>
Income tax:		
Current Taxation	6	6
Deferred Tax	(336)	(336)
	<u>(330)</u>	<u>(330)</u>

**24 Status of Corporate Proposals**

As at the date of this report, there were no corporate proposals announced and not completed, being the latest practical date that shall not be earlier than 7 days from the date of this quarterly report.

**25 Changes in Material Litigation**

As at the date of this report, the Group has not engaged in any material litigation.

**26 Dividend Payable**

No dividend has been recommended for the quarter under review.

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**EXPLANATORY NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 - UNAUDITED**

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**27 Profit/(Loss) per share**

Basic profit/(loss) per share is calculated by dividing the profit/(loss) attributable to the ordinary equity holders of the owner by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	<b>Current quarter 3 months ended</b>		<b>Year-To-Date 12 months ended</b>	
	<b>(Unaudited) As at</b>	<b>(Unaudited) As at</b>	<b>(Unaudited) As at</b>	<b>(Unaudited) As at</b>
	<b>31.12.2019</b>	<b>31.12.2018</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
Profit/(Loss) attributable to ordinary equity holders of the parent (RM' 000)	<u>(4,779)</u>	<u>(1,339)</u>	<u>(4,677)</u>	<u>(4,287)</u>
Weighted average number of shares in issue (' 000)	<u>73,335</u>	<u>73,335</u>	<u>73,335</u>	<u>73,335</u>
Basic profit/(loss) per share (Sen)	<u>(6.52)</u>	<u>(1.83)</u>	<u>(6.38)</u>	<u>(5.85)</u>
Diluted profit/(loss) per share (Sen)	<u>(6.52)</u>	<u>(1.83)</u>	<u>(6.38)</u>	<u>(5.85)</u>