



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2016**

| | Individual Quarter | | Cumulative Quarter | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 30 June 2016 RM'000 | 30 June 2015 RM'000 | 30 June 2016 RM'000 | 30 June 2015 RM'000 |
| Revenue | 25,402 | 27,288 | 48,907 | 50,875 |
| Cost of sales | (23,398) | (23,941) | (43,755) | (44,212) |
| Gross profit | 2,004 | 3,347 | 5,152 | 6,663 |
| Other income | 1,000 | 27 | 1,211 | 50 |
| Expenses | (2,096) | (1,855) | (4,069) | (4,678) |
| Profit from operation | 908 | 1,519 | 2,294 | 2,035 |
| Finance costs | (892) | (517) | (1,694) | (1,835) |
| Profit / (Loss) before taxation | 16 | 1,002 | 600 | 200 |
| Income tax expense | (350) | (334) | (576) | (493) |
| Profit / (Loss) net of tax, representing total comprehensive income / (loss) for the period | (334) | 668 | 24 | (293) |
| Total comprehensive income/(loss) attributable to: | | | | |
| - Equity holders of the Company | (334) | 668 | 24 | (293) |
| - Non-controlling interest | | - | | - |
| | (334) | 668 | 24 | (293) |
| Earnings/(Loss) per share (Sen) attributable to equity holders of the Company: | | | | |
| - Basic | (0.19) | 0.37 | 0.01 | (0.16) |
| - Diluted | N/A | N/A | N/A | N/A |

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2016

| | Unaudited As at 30 June 2016 RM'000 | Audited As at 31 December 2015 RM'000 |
|---|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 87,879 | 84,063 |
| Prepaid lease payments | 4,426 | 4,540 |
| Deferred tax assets | 22 | 22 |
| | 92,327 | 88,625 |
| Current assets | | |
| Inventories | 82,356 | 78,904 |
| Trade and other receivables | 45,635 | 49,363 |
| Tax recoverable | 889 | 531 |
| Cash and bank balances | 10,498 | 11,947 |
| | 139,378 | 140,745 |
| Total Assets | 231,705 | 229,370 |
| EQUITY AND LIABILITIES | | |
| Share capital | 90,000 | 90,000 |
| Share premium | 2,024 | 2,024 |
| Merger reserve | 3,643 | 3,643 |
| Retained earnings | 48,097 | 48,073 |
| Total equity attributable to equity holders of the Company | 143,764 | 143,740 |
| Non-current liabilities | | |
| Loans and borrowings | 16,284 | 15,259 |
| Deferred tax liabilities | 8,267 | 8,257 |
| | 24,551 | 23,516 |
| Current liabilities | | |
| Trade and other payables | 10,694 | 11,601 |
| Amount due to Directors | 114 | 59 |
| Tax liabilities | 195 | 119 |
| Loans and borrowings | 52,387 | 50,335 |
| | 63,390 | 62,114 |
| Total liabilities | 87,941 | 85,630 |
| Total equity and liabilities | 231,705 | 229,370 |
| Net assets per share attributable to equity holders of the Company (RM) | 0.80 | 0.80 |

Notes:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2016

| | Share Capital RM'000 | Non distributable Merger Reserve RM'000 | Share Premium RM'000 | Distributable Retained Earnings RM'000 | Total RM'000 |
|---|-------------------------------------|--|-------------------------------------|---|-------------------------|
| At 1 January 2016 | 90,000 | 2,024 | 3,643 | 48,073 | 143,740 |
| Total comprehensive profit for the period | - | - | - | 24 | 24 |
| At 30 June 2016 | 90,000 | 2,024 | 3,643 | 48,097 | 143,764 |

Note:

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statement.


UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2016

| | Current Year to Date 30 June 2016 RM'000 | Preceding Year Corresponding Period 30 June 2015 RM'000 |
|---|---|--|
| Cash Flows from Operating Activities | | |
| Profit / (Loss) before tax | 600 | 200 |
| Adjustments for: | | |
| Loss on disposal of property, plant and equipment | (124) | - |
| Amortisation of prepaid lease payments | 114 | 114 |
| Depreciation of property, plant and equipment | 4,355 | 4,564 |
| Written off of property, plant and equipment | 1 | - |
| Finance costs | 1,694 | 1,835 |
| Unrealised foreign exchange loss/(gain) | (508) | 98 |
| Operating profit before changes in working capital | 6,132 | 6,811 |
| Changes in working capital: | | |
| Inventories | (3,452) | (9,276) |
| Trade and other receivables, deposits and prepayments | 3,494 | 2,018 |
| Trade and other payables | (509) | 1,651 |
| Amount due to Directors | 55 | 4 |
| Cash generated from / (used in) operations | 5,720 | 1,208 |
| Income tax paid, net of refund | (848) | (959) |
| Interest (paid) / received | (1,008) | 1 |
| Net cash from / (used in) operating activities | 3,864 | 250 |
| Cash Flows from Investing Activities | | |
| Land premium payable | | (2,732) |
| Acquisition of property, plant and equipment | (8,047) | (1,538) |
| Interest paid on land premium payable | - | (842) |
| Net cash used in investing activities | (8,047) | (5,112) |
| Cash Flows from Financing Activities | | |
| Proceeds from borrowings | 41,951 | 53,508 |
| Repayment of borrowings | (38,618) | (51,859) |
| Repayment of finance leases | (53) | (38) |
| Interest paid | (686) | (993) |
| Net cash from financing activities | 2,594 | 618 |
| Net decrease in cash and cash equivalents | (1,589) | (4,244) |
| Effect of exchange rate fluctuations on cash held and bankers acceptances | 387 | 379 |
| Cash and cash equivalents at beginning of period | (1,678) | (12,662) |
| Cash and cash equivalents at end of period | (2,880) | (16,527) |

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2016 (CONTINUED)**

| | Current Year to Date 30 June 2016 RM'000 | Preceding Year Corresponding Period 30 June 2015 RM'000 |
|--|---|--|
| Cash and cash equivalents at end of period comprises: | | |
| Cash and bank balances | 10,498 | 5,913 |
| Bank overdrafts | (13,378) | (22,440) |
| | <u>(2,880)</u> | <u>(16,527)</u> |

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

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

A1. Significant Accounting Policies and Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard 134 (“MFRS 134”): Interim Financial reporting and Appendix 9B part A of paragraph 9.22 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The audited financial statements of the Group for the year ended 31 December 2015 were prepared in accordance with Malaysian Financial Reporting Standards (MFRS). The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2015.

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 Company and its subsidiaries since the financial year ended 31 December 2015.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the explanatory notes attached to this interim financial statement.

A2. Auditors’ Report on Preceding Annual Financial Statements

The Auditors’ Reports on the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2015 were not qualified.

A3. Changes in estimates

There were no changes in estimates that have had a material effect in the current interim results.

A4. Item of unusual nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the six months ended 30 June 2016.

A5. Seasonality of operations

The operations of the Group are not seasonal in nature.

A6. Debts and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current quarter.

A7. Dividends

There were no dividends proposed or declared for the current quarter under review.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

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

A8. Segment information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer similar products and services, but are managed separately because they require different marketing strategies.

- Manufacturing - Includes manufacturing and distributions of batteries.
- Marketing - Includes marketing and retailing of batteries and lubricants.

There has been no material change in total assets and no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last annual financial statements.

| | Manufacturing RM'000 | Marketing RM'000 | Total RM'000 |
|--|---------------------------------|-----------------------------|-------------------------|
| <i>As At 30 June 2016</i> | | | |
| Segment profit | (710) | 1,203 | 493 |
| Included in the measure of segment profit are: | | | |
| Revenue from external customers | 33,827 | 15,080 | 48,907 |
| Inter-segment revenue | 13,084 | - | 13,084 |
| Amortisation | (114) | - | (114) |
| Depreciation | (4,227) | (78) | (4,305) |
| Finance costs | (1,570) | (15) | (1,585) |



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

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

A8. Segment information (Continued)

| | Manufacturing RM'000 | Marketing RM'000 | Total RM'000 |
|---|---------------------------------|-----------------------------|-------------------------|
| <i>As At 30 June 2015</i> | | | |
| Segment (loss)/profit | (288) | 496 | 208 |
| Included in the measure of segment (loss)/profit are: | | | |
| Revenue from external customers | 37,259 | 13,616 | 50,875 |
| Inter-segment revenue | 10,115 | - | 10,115 |
| Amortisation | (114) | - | (114) |
| Depreciation | (4,436) | (78) | (4,514) |
| Finance costs | (2,010) | (31) | (2,041) |

A9. Property, plant and equipment

During the six month ended, the Group acquired assets at cost of RM8.05 million (30 June 2015: RM1.54 million).

A10. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter under review.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

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

A11. Changes in the Composition of the Group

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

A12. Commitments

The capital commitments of the Group as at 30 June 2016 are as follows:

| | As at 30 June 2016 RM'000 |
|---|--|
| Commitments in respect of capital expenditure: | |
| - Approved but not contracted for | 3,308 |
| - Approved and contracted for | 2,708 |
| | <hr/> <hr/> 6,016 |

A13. Contingencies

There were no contingencies as at the end of the current financial quarter.

A14. Significant Related Party Transaction

There were no significant related party transactions during the current financial quarter.

A15. Disclosure of derivatives

There were no outstanding derivatives as at the end of the current financial quarter.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Performance Review

Current quarter against corresponding quarter in prior year

The Group achieved revenue of RM25.40 million and recorded a profit before tax of RM0.02 million for the current quarter as compared to revenue of RM27.29 million and profit before tax of RM1.00 million for the corresponding quarter in prior year.

B2. Comment on Material Change in Profit before Taxation Against Immediate Preceding Quarter

The Group achieved revenue of RM25.40 million for the current quarter as compare to revenue of RM23.51 million for immediate preceding quarter.

Overall, our Group recorded profit before tax of RM0.02 million in the current quarter against profit before tax of RM 0.58 million in the preceding quarter, mainly due to competition within the industry, both in the domestic and overseas market under the prevailing global economic slowdown.

B3. Commentary on Prospects

The Group expects to continue to face the challenging economic and business environment in the coming quarters. The global economic downturns, stiff competitions, fluctuations in lead prices and volatility of foreign currency exchange rate will affect the Group's overall performance. Nonetheless, the Group is confident that through continuous improvement in the products and services, efficiency in production and expanding customer base, the Group will able to weather the challenges ahead.

B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee for the current quarter.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B5. Profit before Tax

Included in the profit before tax are the following items:

| | Current Quarter 3 Months Ended | | Cumulative Quarter 6 Months Ended | |
|---|-----------------------------------|--------------|--------------------------------------|--------------|
| | 30 June 2016 | 30 June 2015 | 30 June 2016 | 30 June 2015 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit/(Loss) for the period derived at after charging and crediting: | | | | |
| Amortisation of prepaid lease payments | 57 | 57 | 114 | 114 |
| Depreciation of property, plant and machinery | 2,261 | 2,285 | 4,355 | 4,564 |
| Rental of premises - expenses | 22 | 7 | 43 | 23 |
| Written off of property, plant and equipment | (12) | - | 1 | - |
| Interest expense | 892 | 517 | 1,694 | 1,835 |
| Foreign exchange (gain)/loss: | | | | |
| - realized | (174) | 225 | (497) | 550 |
| - unrealised | (584) | (466) | (509) | 98 |
| Rental of premises - income | (23) | (25) | (47) | (47) |

B6. Income Tax Expense

| | Current Quarter 3 Months Ended | | Cumulative Quarter 6 Months Ended | |
|--------------|-----------------------------------|--------------|--------------------------------------|--------------|
| | 30 June 2016 | 30 June 2015 | 30 June 2016 | 30 June 2015 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Current tax | 293 | 333 | 566 | 498 |
| Deferred tax | 57 | 1 | 10 | (5) |
| Tax expense | 350 | 334 | 576 | 493 |

The effective tax rate for the current interim period is slightly higher than the statutory tax rate principally due to certain expenses which are not deductible for tax purposes.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS

B7. Loans and Borrowings

Total Group borrowings as at 30 June 2016 were as follows:

| | As at 30 June 2016 RM'000 |
|-------------------------|--|
| Current | |
| - Secured | 52,387 |
| - Unsecured | - |
| | <hr/> 52,387 <hr/> |
| Non-current | |
| - Secured | 16,284 |
| | <hr/> 68,671 <hr/> |
| Total Borrowings | <hr/> 68,671 <hr/> |

Note:

The Group's short term borrowings comprised mainly banks overdrafts and trade lines for working capital purpose.

Included in the short-term borrowings are amounts of RM2.8 million denominated in USD as at 30 June 2016.

B8. Material Litigation

There was no material litigation against the Group.

B9. Dividend

There were no dividends proposed or declared for the current quarter under review.

B10. Earnings per Share

Basic earnings/(loss) per share are calculated by dividing profit/(loss) for the period, net of tax, attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The Company has no potential ordinary shares in issue as at 30 June 2016. As such, the fully diluted earnings per share of the Company are equivalent to the basic earnings per share.

| | Current Quarter 3 Months Ended | | Cumulative Quarter 6 Months Ended | |
|--|---|-------------------------|--|-------------------------|
| | 30 June 2016 | 30 June 2015 | 30 June 2016 | 31 June 2015 |
| Profit/(Loss) attributable to equity holders of the Company (RM'000) | (334) | 668 | 24 | (293) |
| Weighted average number of ordinary share in issuance ('000) | 180,000 | 180,000 | 180,000 | 180,000 |
| Basic earnings/(loss) per share (Sen) | (0.19) | 0.37 | 0.01 | (0.16) |
| Diluted | N/A | N/A | N/A | N/A |

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2016****PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS****B11. Disclosures of Gains/Losses Arising from Fair Value Changes of Financial Liabilities**

The Group did not have any financial liabilities measures at fair value through profit or loss as at 30 June 2016.

B12. Breakdown of Realised and Unrealised Profits or Losses

The breakdown of the retained profits of the Group as at 30 June 2016 and 31 December 2015 into realised and unrealised profits /(losses) is as follows:

| | 30 June 2016 RM'000 | 31 December 2015 RM'000 |
|--|--------------------------------------|--|
| Total retained earnings of the Company and its subsidiaries: | | |
| - Realised | 58,389 | 57,472 |
| - Unrealised | (7,758) | (6,889) |
| | <hr/> 50,631 | <hr/> 50,583 |
| Less: Consolidation adjustments | (2,534) | (2,510) |
| Total retained earnings | <hr/> <hr/> 48,097 | <hr/> <hr/> 48,073 |

B13. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 August 2016.