



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Individual Quarter		Cumulative Quarter	
	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
Revenue	34,103	27,996	112,027	100,114
Cost of sales	(28,098)	(21,586)	(97,442)	(84,102)
Gross profit	6,005	6,410	14,585	16,012
Other income	544	335	1,828	1,524
Expenses	(2,328)	(2,455)	(8,482)	(8,770)
Profit from operation	4,221	4,290	7,931	8,766
Finance costs	(1,039)	(922)	(4,161)	(3,557)
Profit before taxation	3,182	3,368	3,770	5,209
Income tax expense	(38)	1,046	538	1,155
Profit net of tax, representing total comprehensive income for the period	3,144	4,414	4,308	6,364
Total comprehensive income attributable to:				
- Equity holders of the Company	3,144	4,414	4,308	6,364
- Non-controlling interest	-	-	-	-
	3,144	4,414	4,308	6,364
Earnings per share (Sen) attributable to equity holders of the Company:				
- Basic	1.75	2.45	2.39	3.54
- 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 2017 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Unaudited As at 31 December 2018 RM'000	Audited As at 31 December 2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	88,308	90,971
Prepaid lease payments	3,854	4,083
Deferred tax assets	38	48
	92,200	95,102
Current assets		
Inventories	107,346	96,275
Trade and other receivables	43,081	42,231
Tax recoverable	3,143	2,398
Cash and bank balances	9,835	7,874
	163,405	148,778
Total Assets	255,605	243,880
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,643	3,643
Retained earnings	62,583	57,984
Total equity attributable to equity holders of the Company	158,250	153,651
Non-current liabilities		
Loans and borrowings	12,355	12,139
Deferred tax liabilities	5,358	6,502
	17,713	18,641
Current liabilities		
Trade and other payables	4,736	10,888
Amount due to Directors	55	204
Tax liabilities	106	228
Loans and borrowings	74,745	60,268
	79,642	71,588
Total liabilities	97,355	90,229
Total equity and liabilities	255,605	243,880
Net assets per share attributable to equity holders of the Company (RM)	0.88	0.85

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 2017 and the accompanying explanatory notes attached to this interim financial statement.



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Share Capital RM'000	Non distributable Merger Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 31 December 2017	92,024	3,643	57,984	153,651
Effect arising from adoption of MFRS 9	-	-	291	291
At 1 January 2018	92,024	3,643	58,275	153,942
Total comprehensive profit for the year	-	-	4,308	4,308
At 31 December 2018	92,024	3,643	62,583	158,250

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 2017 and the accompanying explanatory notes attached to this interim financial statement.


UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Current Year Ended 31 December 2018 RM'000	Preceding Year Ended 31 December 2017 RM'000
Cash Flows from Operating Activities		
Profit before tax	3,770	5,209
Adjustments for:		
Amortisation of prepaid lease payments	229	229
Depreciation of property, plant and equipment	9,551	8,840
Impairment loss on trade receivable	-	216
Finance costs	4,161	3,557
Reversal of impairment losses on trade receivable	(240)	(116)
Unrealised foreign exchange loss/(gain)	114	(237)
Operating profit before changes in working capital	17,585	17,698
Changes in working capital:		
Inventories	(11,071)	(14,917)
Trade and other receivables, deposits and prepayments	(231)	3,641
Trade and other payables	(6,141)	3,153
Amount due to Directors	(149)	76
Cash (used in)/generated from operations	(7)	9,651
Income tax paid, net of refund	(1,565)	(1,854)
Interest paid	(3,026)	(2,402)
Net cash (used in)/generated from operating activities	(4,598)	5,395
Acquisition of property, plant and equipment	(6,888)	(8,996)
Net cash used in investing activity	(6,888)	(8,996)
Cash Flows from Financing Activities		
Net drawdown of borrowings	13,520	310
Net repayment of finance leases	(19)	(61)
Interest paid	(1,135)	(1,155)
Net cash generated from/(used in) financing activities	12,366	(906)
Net increase/(decrease) in cash and cash equivalents	880	(4,507)
Effect of exchange rate fluctuations on cash held and bankers acceptances	(112)	199
Cash and cash equivalents at beginning of period	(13,505)	(9,197)
Cash and cash equivalents at end of period	(12,737)	(13,505)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)**

	Current Year Ended 31 December 2018 RM'000	Preceding Year Ended 31 December 2017 RM'000
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	9,835	7,874
Bank overdrafts	(22,572)	(21,379)
	<u>(12,737)</u>	<u>(13,505)</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 2017 and the accompanying explanatory notes attached to this interim financial statement.

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018****PART A – EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING****A1. 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 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 2017.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017 and the explanatory notes attached to this interim financial statement.

A2. Adoption of Malaysian Financial Reporting Standards

The significant accounting policies applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2017, except for the effects of newly issued Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) applied for the financial period beginning 1 January 2018.

Title	Effective date
MFRS 15, <i>Revenue from Contracts with Customers</i>	1 January 2018
Clarifications to MFRS 15, <i>Revenue from Contracts with Customers</i>	1 January 2018
IC Interpretation 22: <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018

The initial application of the above is not expected to have any material financial impact on the Group’s results, other than as disclosed below:

MFRS 9, *Financial Instrument*

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

In respect of impairment of financial assets, MFRS 9 replaces the “incurred loss” model in MFRS 139 with an “expected credit loss”(ECL) model, The New impairment model applies to financial assets measured at amortised cost, contract assets and debt investment measured at fair value through other comprehensive income, but not to investment in equity instruments.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

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

A2. Adoption of Malaysian Financial Reporting Standards (Continued)

MFRS 9, *Financial Instrument (Continued)*

On the date of initial application, MFRS 9 did not have material impact on the classification and measurement of assets and financial liabilities, except that the allowance for doubtful debts accounts has decreased by RM392,000 as at 1 January 2018 as a result of applying the ECL model on trade receivables. As permitted by the transitional provisions of MFRS 9, the Group has elected not to restate comparative figure and thus these adjustments were recognised in the opening retained earnings of the current period.

A3. 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 2017 were not qualified.

A4 Changes in estimates

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

A5. Item of unusual nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 December 2018.

A6. Seasonality of operations

The operations of the Group are not seasonal in nature.

A7. Debts and Equity Securities

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

A8. Dividends

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



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

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

A9. 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 31 December 2018</i>			
Segment profit	773	2,773	3,546
Included in the measure of segment profit are:			
Revenue from external customers	75,420	36,607	112,027
Inter-segment revenue	26,755	-	26,755
Amortisation	(229)	-	(229)
Depreciation	(9,330)	(122)	(9,452)
Finance costs	(4,614)	(51)	(4,665)
<i>As At 31 December 2017</i>			
Segment profit	2,799	2,626	5,425
Included in the measure of segment profit are:			
Revenue from external customers	67,270	32,844	100,114
Inter-segment revenue	25,652	-	25,652
Amortisation	(229)	-	(229)
Depreciation	(8,642)	(98)	(8,740)
Finance costs	(4,014)	(17)	(4,031)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

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

A10. Property, plant and equipment

During the financial year, the Group acquired assets at cost of RM6.89 million (31 December 2017: RM9 million).

A11. 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.

A12. Changes in the Composition of the Group

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

A13. Commitments

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

A14. Contingencies

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

A15. Significant Related Party Transaction

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

A16. 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 31 DECEMBER 2018

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 RM34.10 million and recorded a profit before tax of RM3.18 million for the current quarter as compared to revenue of RM28 million and profit before tax of RM3.37 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 RM34.10 million and recorded a profit before tax of RM3.18 million for the current quarter as compared to revenue of RM31.99 million and profit before tax of RM2.75 million for immediate preceding quarter.

The profit before tax for the current reporting quarter is mainly due to increase in revenue and improved of gross profit margin.

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 be 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 31 DECEMBER 2018

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 12 Months Ended	
	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
Profit for the period derived at after charging and crediting:				
Amortisation of prepaid lease payments	57	57	229	229
Depreciation of property, plant and equipment	2,519	2,242	9,551	8,840
Impairment losses on trade receivables	-	-	-	216
Rental of premises - expenses	30	30	116	116
Interest expense	1,039	951	4,161	3,557
Bad debt written off	69	-	69	-
Foreign exchange (gain)/loss:				
- realized	(537)	(261)	(1,661)	(946)
- unrealised	211	(175)	114	(237)
Reversal of impairment losses on trade receivables	(240)	-	(240)	(116)
Rental of premises - income	(8)	(12)	(34)	(49)

B6. Income Tax Expense

	Current Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
Malaysian taxation				
- current year	202	359	754	1,054
- prior year	-	(25)	(57)	(556)
	202	334	697	498
Deferred tax	(164)	(1,380)	(1,235)	(1,653)
Tax expense	38	(1,046)	(538)	(1,155)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

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

B7. Loans and Borrowings

Total Group borrowings as at 31 December 2018 were as follows:

	As at 31 December 2018 RM'000
Current	
- Secured	74,745
- Unsecured	-
	74,745
Non-current	
- Secured	12,355
	87,100
Total Borrowings	

Note:

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

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 per share are calculated by dividing profit 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 31 December 2018. 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 12 Months Ended	
	31 December 2018 (Unaudited)	31 December 2017 (Unaudited)	31 December 2018 (Unaudited)	31 December 2017 (Audited)
Profit attributable to equity holders of the Company (RM'000)	3,144	4,414	4,308	6,364
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic earnings per share (Sen)	1.75	2.45	2.39	3.54
Diluted	N/A	N/A	N/A	N/A



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

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 31 December 2018.

B12. 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 26 February 2019.