


**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

|  | Individual Quarter             |                                | Cumulative Quarter             |                                |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|  | 30 September<br>2019<br>RM'000 | 30 September<br>2018<br>RM'000 | 30 September<br>2019<br>RM'000 | 30 September<br>2018<br>RM'000 |
| Revenue  | 30,521                         | 31,991                         | 80,773                         | 77,924                         |
| Cost of sales  | (25,695)                       | (26,663)                       | (71,120)                       | (69,344)                       |
| Gross profit   | 4,826                          | 5,328                          | 9,653                          | 8,580                          |
| Other income   | 298                            | 536                            | 1,137                          | 1,284                          |
| Expenses   | (2,019)                        | (2,037)                        | (6,024)                        | (6,154)                        |
| Profit from operation  | 3,105                          | 3,827                          | 4,766                          | 3,710                          |
| Finance costs  | (1,065)                        | (1,081)                        | (3,340)                        | (3,122)                        |
| <b>Profit before taxation</b>  | 2,040                          | 2,746                          | 1,426                          | 588                            |
| Income tax expense   | (605)                          | (237)                          | (633)                          | 576                            |
| <b>Profit net of tax, representing total comprehensive income for the period</b> | 1,435                          | 2,509                          | 793                            | 1,164                          |
| Total comprehensive income attributable to:                                      |                                |                                |                                |                                |
| - Equity holders of the Company  | 1,435                          | 2,509                          | 793                            | 1,164                          |
| - Non-controlling interest   | -                              | -                              | -                              | -                              |
|  | 1,435                          | 2,509                          | 793                            | 1,164                          |
| Earnings per share (Sen) attributable to equity holders of the Company:          |                                |                                |                                |                                |
| - Basic  | 0.80                           | 1.39                           | 0.44                           | 0.65                           |
| - 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 2018 and the accompanying explanatory notes attached to this interim financial statement.*



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019**

|   | <b>Unaudited<br/>As at<br/>30 September 2019<br/>RM'000</b> | <b>Audited<br/>As at<br/>31 December 2018<br/>RM'000</b> |
|---|---|--|
| <b>ASSETS</b>   |   |  |
| <b>Non-current assets</b>   |   |  |
| Property, plant and equipment   | 85,838  | 88,308   |
| Prepaid lease payments  | 3,682   | 3,854  |
| Deferred tax assets   | 38  | 38   |
|   | <b>89,558</b>   | <b>92,200</b>  |
| <b>Current assets</b>   |   |  |
| Inventories   | 107,261   | 107,346  |
| Trade and other receivables   | 46,881  | 43,013   |
| Tax recoverable   | 4,023   | 3,091  |
| Cash and bank balances  | 8,612   | 9,835  |
|   | <b>166,777</b>  | <b>163,285</b>   |
| <b>Total Assets</b>   | <b>256,335</b>  | <b>255,485</b>   |
| <b>EQUITY AND LIABILITIES</b>   |   |  |
| Share capital   | 92,024  | 92,024   |
| Merger reserve  | 3,633   | 3,633  |
| Retained earnings   | 63,266  | 62,473   |
| <b>Total equity attributable to equity holders of the Company</b>       | <b>158,923</b>  | <b>158,130</b>   |
| <b>Non-current liabilities</b>  |   |  |
| Loans and borrowings  | 11,580  | 12,398   |
| Deferred tax liabilities  | 5,374   | 5,358  |
|   | <b>16,954</b>   | <b>17,756</b>  |
| <b>Current liabilities</b>  |   |  |
| Trade and other payables  | 5,593   | 4,736  |
| Amount due to Directors   | 395   | 55   |
| Tax liabilities   | 487   | 106  |
| Loans and borrowings  | 73,983  | 74,702   |
|   | <b>80,458</b>   | <b>79,599</b>  |
| <b>Total liabilities</b>  | <b>97,412</b>   | <b>97,355</b>  |
| <b>Total equity and liabilities</b>                                     | <b>256,335</b>  | <b>255,485</b>   |
| Net assets per share attributable to equity holders of the Company (RM) | 0.88  | 0.88   |

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 2018 and the accompanying explanatory notes attached to this interim financial statement.*



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

|   | <b>Share<br/>Capital<br/>RM'000</b> | <b>Non<br/>distributable<br/>Merger<br/>Reserve<br/>RM'000</b> | <b>Distributable<br/>Retained<br/>Earnings<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|-------------------------------------|--|---|-------------------------|
| At 1 January 2019                         | 92,024                              | 3,633  | 62,473  | 158,130                 |
| Total comprehensive profit for the period | -                                   | -  | 793   | 793                     |
| At 30 September 2019                      | 92,024                              | 3,633  | 63,266  | 158,923                 |

*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 2018 and the accompanying explanatory notes attached to this interim financial statement.*


**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

|   | Current Year to<br>Date<br>30 September 2019<br>RM'000 | Preceding Year<br>Corresponding Period<br>30 September 2018<br>RM'000 |
|---|--|---|
| <b>Cash Flows from Operating Activities</b>                               |  |   |
| Profit before tax   | 1,426  | 588   |
| Adjustments for:  |  |   |
| Amortisation of prepaid lease payments                                    | 172  | 172   |
| Depreciation of property, plant and equipment                             | 6,658  | 7,032   |
| Finance costs   | 3,340  | 3,122   |
| Unrealised foreign exchange gain  | (10)   | (97)  |
| Operating profit before changes in working capital                        | 11,586   | 10,817  |
| Changes in working capital:   |  |   |
| Inventories   | 85   | (13,280)  |
| Trade and other receivables, deposits and prepayments                     | (3,827)  | 3,223   |
| Trade and other payables  | 860  | (5,971)   |
| Amount due to Directors   | 340  | 60  |
| <b>Cash generated from/(used in) operations</b>                           | 9,044  | (5,151)   |
| Income tax paid, net of refund  | (1,168)  | (1,040)   |
| Interest paid   | (2,271)  | (2,204)   |
| <b>Net cash generated from/(used in) operating activities</b>             | 5,605  | (8,395)   |
| Acquisition of property, plant and equipment                              | (4,188)  | (3,644)   |
| <b>Net cash used in investing activity</b>                                | (4,188)  | (3,644)   |
| <b>Cash Flows from Financing Activities</b>                               |  |   |
| Proceeds from borrowings  | 90,085   | 85,133  |
| Repayment of borrowings   | (94,673)   | (74,211)  |
| Repayment of finance leases   | (47)   | (63)  |
| Interest paid   | (1,069)  | (918)   |
| <b>Net cash (used in)/generated from financing activities</b>             | (5,704)  | 9,941   |
| Net decrease in cash and cash equivalents                                 | (4,287)  | (2,098)   |
| Effect of exchange rate fluctuations on cash held and bankers acceptances | (34)   | 5   |
| Cash and cash equivalents at beginning of period                          | (12,737)   | (13,505)  |
| Cash and cash equivalents at end of period                                | (17,058)   | (15,598)  |

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2019 (CONTINUED)**

|  | <b>Current Year to<br/>Date<br/>30 September 2019<br/>RM'000</b> | <b>Preceding Year<br/>Corresponding Period<br/>30 September 2018<br/>RM'000</b> |
|--|--|---|
| <b>Cash and cash equivalents at end of period comprises:</b> |  |   |
| Cash and bank balances                                       | 8,612  | 7,762   |
| Bank overdrafts  | (25,670)   | (23,360)  |
|  | <u>(17,058)</u>  | <u>(15,598)</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 2018 and the accompanying explanatory notes attached to this interim financial statement.*



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

**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 2018.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018 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 2018, 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 2019.

| <b>Title</b>   | <b>Effective date</b> |
|--|-----------------------|
| MFRS 16, <i>Leases</i>   | 1 January 2019        |
| IC Interpretation 23, <i>Uncertainty over Income Tax Treatments</i>  | 1 January 2019        |
| Amendments to MFRS 3, <i>Business Combinations (Annual Improvements to MFRS Standards 2015 - 2017 Cycle)</i> | 1 January 2019        |
| Amendments to MFRS 9, <i>Financial Instruments - Prepayment Features with Negative Compensation</i>          | 1 January 2019        |
| Amendments to MFRS 112, <i>Income Taxes (Annual Improvements To MFRS Standards 2015 - 2017 Cycle)</i>        | 1 January 2019        |
| Amendments to MFRS 123, <i>Borrowing Costs (Annual Improvement to MFRS Standards 2015 - 2017 Cycle)</i>      | 1 January 2019        |

The initial application of the above is not expected to have any material financial impact on the Group’s results.

**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 2018 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.



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

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

**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 30 September 2019.

**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.

**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.

|   | <b>Manufacturing<br/>RM'000</b> | <b>Marketing<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|---------------------------------|-----------------------------|-------------------------|
| <i>As At 30 September 2019</i>                        |                                 |                             |                         |
| Segment (loss)/ profit                                | (958)                           | 2,301                       | 1,343                   |
| Included in the measure of segment (loss)/profit are: |                                 |                             |                         |
| Revenue from external customers                       | 50,365                          | 30,408                      | 80,773                  |
| Inter-segment revenue                                 | 23,296                          | -                           | 23,296                  |
| Amortisation  | (172)                           | -                           | (172)                   |
| Depreciation  | (6,509)                         | (75)                        | (6,584)                 |
| Finance costs   | (3,674)                         | (60)                        | (3,734)                 |



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

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

**A9. Segment information (Continued)**

|   | <b>Manufacturing<br/>RM'000</b> | <b>Marketing<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|---------------------------------|-----------------------------|-------------------------|
| <i>As At 30 September 2018</i>                        |                                 |                             |                         |
| Segment (loss)/ profit                                | (1,579)                         | 1,822                       | 243                     |
| Included in the measure of segment (loss)/profit are: |                                 |                             |                         |
| Revenue from external customers                       | 51,082                          | 26,842                      | 77,924                  |
| Inter-segment revenue                                 | 21,590                          | -                           | 21,590                  |
| Amortisation  | (172)                           | -                           | (172)                   |
| Depreciation  | (6,862)                         | (96)                        | (6,958)                 |
| Finance costs   | (3,468)                         | (30)                        | (3,498)                 |

**A10. Property, plant and equipment**

During the nine months ended 30 September 2019, the Group acquired assets at cost of RM4.19 million (30 September 2018: RM3.64 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 except as disclosed in our announcement made to Bursa Malaysia Securities Berhad on 9 October 2019 pertaining to the Memorandum of Understanding entered between the wholly-owned subsidiary of ABM Fujiya Berhad, Amalgamated Batteries Manufacturing (Sarawak) Sdn Bhd (11108-A) and Jujiang Power Technology Co Ltd (68166729-9).

**A12. Changes in the Composition of the Group**

Amalgamated Batteries Manufacturing (Sarawak) Sdn Bhd (11108-A) had incorporated a wholly-owned subsidiary, Fuya Energy Sdn Bhd (1332817-D) on 4 July 2019 with a paid-up capital of RM1.00.





**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

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

**A13. Commitments**

The capital commitments of the Group as at 30 September 2019 are as follows:

|   | <b>As at<br/>30 September<br/>2019<br/>RM'000</b> |
|---|---|
| <b>Commitments in respect of capital expenditure:</b> |   |
| - Approved and contracted for                         | 922   |
|   | <hr/>   |

**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 30 SEPTEMBER 2019**

**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 RM30.52 million and recorded a profit before tax of RM2.04 million for the current quarter as compared to revenue of RM31.99 million and profit before tax of RM2.75 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 RM30.52 million and recorded a profit before tax of RM2.04 million for the current quarter as compared to revenue of RM27.91 million and profit before tax of RM0.24 million for immediate preceding quarter.

The profit before tax for the current reporting quarter is mainly due to increase in revenue and improved 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 economy remains to be influenced by the uncertainty surrounding the UK's Brexit deal, the effect of the US-China trade war and the slowdown of the economic momentum in China. Furthermore, the sluggish demand and weak world commodity price, continue to be source of concern and 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 30 SEPTEMBER 2019**

**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:

|  | <b>Current Quarter<br/>3 Months Ended</b> |   | <b>Cumulative Quarter<br/>9 Months Ended</b> |   |
|--|---|---|--|---|
|  | <b>30 September<br/>2019<br/>RM'000</b>   | <b>30 September<br/>2018<br/>RM'000</b> | <b>30 September<br/>2019<br/>RM'000</b>      | <b>30 September<br/>2018<br/>RM'000</b> |
| Profit for the period derived at after charging and crediting: |   |   |  |   |
| Amortisation of prepaid lease payments                         | 57  | 57                                      | 172  | 172                                     |
| Depreciation of property, plant and machinery                  | 2,221                                     | 2,363                                   | 6,658  | 7,032                                   |
| Rental of premises - expenses                                  | 29  | 29                                      | 86   | 86                                      |
| Interest expense   | 1,065                                     | 1,081                                   | 3,340  | 3,122                                   |
| Foreign exchange gain:   |   |   |  |   |
| - realized   | (257)                                     | (514)                                   | (765)  | (1,124)                                 |
| - unrealised   | (29)                                      | (12)                                    | (10)   | (97)                                    |
| Rental of premises - income                                    | (13)                                      | (8)                                     | (30)   | (26)                                    |

**B6. Income Tax Expense**

|                    | <b>Current Quarter<br/>3 Months Ended</b> |   | <b>Cumulative Quarter<br/>9 Months Ended</b> |   |
|--------------------|---|---|--|---|
|                    | <b>30 September<br/>2019<br/>RM'000</b>   | <b>30 September<br/>2018<br/>RM'000</b> | <b>30 September<br/>2019<br/>RM'000</b>      | <b>30 September<br/>2018<br/>RM'000</b> |
| Malaysian taxation |   |   |  |   |
| - current year     | 200                                       | 199                                     | 646  | 552                                     |
| - prior year       | (29)                                      | (57)                                    | (29)   | (57)                                    |
|                    | 171                                       | 142                                     | 617  | 495                                     |
| Deferred tax       | 434                                       | 95                                      | 16   | (1,071)                                 |
| Tax expense        | 605                                       | 237                                     | 633  | (576)                                   |



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

**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 September 2019 were as follows:

|                         | <b>As at<br/>30 September<br/>2019<br/>RM'000</b> |
|-------------------------|---|
| <b>Current</b>          |   |
| - Secured               | 73,983  |
| - Unsecured             | -   |
|                         | <hr/> 73,983 <hr/>                                |
| <b>Non-current</b>      |   |
| - Secured               | 11,580  |
|                         | <hr/> 85,563 <hr/> <hr/>                          |
| <b>Total Borrowings</b> |   |

*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 30 September 2019. As such, the fully diluted earnings per share of the Company are equivalent to the basic earnings per share.

|   | <b>Current Quarter<br/>3 Months Ended</b> |                              | <b>Cumulative Quarter<br/>9 Months Ended</b> |                              |
|---|---|------------------------------|--|------------------------------|
|   | <b>30 September<br/>2019</b>              | <b>30 September<br/>2018</b> | <b>30 September<br/>2019</b>                 | <b>30 September<br/>2018</b> |
| Profit attributable to equity holders of the Company (RM'000) | 1,435                                     | 2,509                        | 793  | 1,164                        |
| Weighted average number of ordinary share in issuance ('000)  | 180,000                                   | 180,000                      | 180,000                                      | 180,000                      |
| Basic earnings per share (Sen)                                | 0.80                                      | 1.39                         | 0.44   | 0.65                         |
| Diluted   | N/A                                       | N/A                          | N/A  | N/A                          |



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**

**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 September 2019.

**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 21 November 2019.