



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
Revenue	29,952	34,103	110,725	112,027
Cost of sales	(24,799)	(28,098)	(95,919)	(97,376)
Gross profit	5,153	6,005	14,806	14,651
Other income	453	544	1,590	1,768
Expenses	(2,974)	(2,328)	(8,998)	(8,556)
Profit from operation	2,632	4,221	7,398	7,863
Finance costs	(964)	(1,039)	(4,304)	(4,161)
Profit before taxation	1,668	3,182	3,094	3,702
Income tax expense	(607)	(38)	(1,240)	486
Profit net of tax, representing total comprehensive income for the period	1,061	3,144	1,854	4,188
Total comprehensive income attributable to:				
- Equity holders of the Company	1,061	3,144	1,854	4,188
- Non-controlling interest	-	-	-	-
	1,061	3,144	1,854	4,188
Earnings per share (Sen) attributable to equity holders of the Company:				
- Basic	0.59	1.75	1.03	2.33
- 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 31 DECEMBER 2019

	Unaudited As at 31 December 2019 RM'000	Audited As at 31 December 2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	66,812	88,308
Prepaid lease payments	-	3,854
Right-of-use assets	21,816	-
Deferred tax assets	31	38
	88,659	92,200
Current assets		
Inventories	106,081	107,346
Trade and other receivables	47,579	43,012
Tax recoverable	1,812	3,091
Cash and bank balances	15,387	9,835
	170,859	163,284
Total Assets	259,518	255,484
EQUITY AND LIABILITIES		
Share capital	92,024	92,024
Merger reserve	3,633	3,633
Retained earnings	64,326	62,472
Total equity attributable to equity holders of the Company	159,983	158,129
Non-current liabilities		
Loans and borrowings	8,562	12,398
Deferred tax liabilities	5,761	5,358
	14,323	17,756
Current liabilities		
Trade and other payables	13,678	4,736
Amount due to Directors	45	55
Tax liabilities	220	106
Loans and borrowings	71,242	74,702
Lease liabilities	27	-
	85,212	79,599
Total liabilities	99,535	97,355
Total equity and liabilities	259,518	255,484
Net assets per share attributable to equity holders of the Company (RM)	0.89	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 YEAR ENDED 31 DECEMBER 2019

	Share Capital RM'000	Non distributable Merger Reserve RM'000	Distributable Retained Earnings RM'000	Total RM'000
At 1 January 2019	92,024	3,633	62,472	158,129
Total comprehensive profit for the year	-	-	1,854	1,854
At 31 December 2019	92,024	3,633	64,326	159,983

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 YEAR ENDED 31 DECEMBER 2019

	Current Year Ended 31 December 2019 RM'000	Preceding Year Ended 31 December 2018 RM'000
Cash Flows from Operating Activities		
Profit before tax	3,094	3,702
Adjustments for:		
Amortisation of prepaid lease payments	-	229
Depreciation of right-of-use assets	599	-
Depreciation of property, plant and equipment	8,701	9,551
Impairment loss on trade receivables	254	-
Finance costs	4,304	4,161
Reversal of impairment losses on trade receivables	(15)	(171)
Unrealised foreign exchange loss	57	114
Write-offs of deposit	1	68
Operating profit before changes in working capital	16,995	17,654
Changes in working capital:		
Inventories	1,265	(11,071)
Trade and other receivables, deposits and prepayments	(4,821)	(300)
Trade and other payables	9,088	(6,141)
Amount due to Directors	(10)	(149)
Cash generated from/ (used in) operations	22,517	(7)
Income tax paid, net of refund	563	(1,565)
Interest paid	(2,980)	(3,026)
Net cash generated from/ (used in) operating activities	20,100	(4,598)
Acquisition of property, plant and equipment	(5,563)	(6,828)
Net cash used in investing activity	(5,563)	(6,828)
Cash Flows from Financing Activities		
Net (repayment)/drawdown of borrowings	(7,456)	13,520
Net repayment of finance leases	(65)	(79)
Payment of lease liabilities	(26)	-
Interest paid	(1,324)	(1,135)
Net cash (used in)/ generated from financing activities	(8,871)	12,306
Net increase in cash and cash equivalents	5,666	880
Effect of exchange rate fluctuations on cash held and bankers acceptances	(189)	(112)
Cash and cash equivalents at beginning of period	(12,737)	(13,505)
Cash and cash equivalents at end of period	(7,260)	(12,737)



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

	Current Year Ended 31 December 2019 RM'000	Preceding Year Ended 31 December 2018 RM'000
Cash outflows for leases as a lessee		
Included in net cash from operating activities:		
Interest paid in relation to lease liabilities	4	-
Included in net cash from financing activities:		
Payment of lease liabilities	26	-
Total cash outflows for leases	30	-

	Current Year Ended 31 December 2019 RM'000	Preceding Year Ended 31 December 2018 RM'000
Cash and cash equivalents at end of period comprises:		
Cash and bank balances	15,387	9,835
Bank overdrafts	(22,647)	(22,572)
	(7,260)	(12,737)

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 31 DECEMBER 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.

Title	Effective date
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 has no material financial impact on the Group’s results.

MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117 Leases, IC interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Leases -Incentives and IC Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 introduces a single, on-balance sheet leases accounting model for lessee.



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

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

A2. Adoption of Malaysian Financial Reporting Standards (continued)

At the date of initial application, the Group has adopted MFRS 16 using the modified retrospective approach and did not restate the comparative information prior to the date of initial application. The Group had opted to measure the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease.

The adoption of MFRS 16 does not have any financial impact on the retained earnings of the Group at the date of initial application.

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.

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 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.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

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 2019</i>			
Segment profit	322	2,865	3,187
Included in the measure of segment profit are:			
Revenue from external customers	69,613	41,112	110,725
Inter-segment revenue	30,111	-	30,111
Depreciation	(9,074)	(127)	(9,201)
Finance costs	(4,764)	(80)	(4,844)
	Manufacturing RM'000	Marketing RM'000	Total RM'000
<i>As At 31 December 2018</i>			
Segment profit	704	2,773	3,477
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)

A10. Property, plant and equipment

During the financial year, the Group acquired assets at cost of RM5.71million (31 December 2018: RM6.89 million).



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2019

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

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 below:

The wholly-owned subsidiary of ABM Fujiya Berhad, Amalgamated Batteries Manufacturing (Sarawak) Sdn Bhd (11108-A) (“ABM”) has on 28 November 2019 given power of attorney to its wholly-owned subsidiary, Fuya Energy Sdn Bhd (1332817-D) to erect buildings on two parcels of land owned by ABM.

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

The capital commitments of the Group as at 31 December 2019 are as follows:

	As at 31 December 2019 RM’000
Commitments in respect of capital expenditure:	
- Approved and contracted for	19,437
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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 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 RM29.95 million and recorded a profit before tax of RM1.67 million for the current quarter as compared to revenue of RM34.10 million and profit before tax of RM3.18 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 RM29.95 million and recorded a profit before tax of RM1.67 million for the current quarter as compared to revenue of RM30.52 million and profit before tax of RM2.04 million for immediate preceding quarter.

The slight decrease in profit before tax for the current reporting quarter is mainly due to decrease in revenue as a result of slower economic environment, additional impairment loss on trade receivables and lesser realised foreign exchange gain.

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, the coronavirus outbreak 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 31 DECEMBER 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:

	Current Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
Profit for the period derived at after charging and crediting:				
Amortisation of prepaid lease payments	-	57	-	229
Depreciation of right-of-use assets	427	-	599	-
Depreciation of property, plant and equipment	2,043	2,519	8,701	9,551
Impairment losses on trade receivables	254	-	254	-
Rental of premises - expenses	-	30	86	116
Interest expense	964	1,039	4,304	4,161
Deposits written off	1	68	1	68
Foreign exchange (gain)/loss:				
- realised	(286)	(537)	(1,051)	(1,661)
- unrealised	67	211	57	114
Reversal of impairment losses on trade receivables	(15)	(240)	(15)	(171)
Rental of premises - income	(10)	(8)	(40)	(34)

B6. Income Tax Expense

	Current Quarter 3 Months Ended		Cumulative Quarter 12 Months Ended	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
Malaysian taxation				
- current year	213	202	859	806
- prior year	-	-	(29)	(57)
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	213	202	830	749
Deferred tax	394	(164)	410	(1,235)
Tax expense	<hr/>	<hr/>	<hr/>	<hr/>
	607	38	1,240	(486)



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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 31 December 2019 were as follows:

	As at 31 December 2019 RM'000
Current	
- Secured	71,242
- Unsecured	-
	71,242
Non-current	
- Secured	8,562
	79,804
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 2019. 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 2019 (Unaudited)	31 December 2018 (Unaudited)	31 December 2019 (Unaudited)	31 December 2018 (Audited)
Profit attributable to equity holders of the Company (RM'000)	1,061	3,144	1,854	4,188
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic earnings per share (Sen)	0.59	1.75	1.03	2.33
Diluted	N/A	N/A	N/A	N/A



UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 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 31 December 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 27 February 2020.