



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020**

	Individual Quarter		Cumulative Quarter	
	30 June 2020 RM'000	30 June 2019 RM'000	30 June 2020 RM'000	30 June 2019 RM'000
Revenue	17,664	27,908	37,490	50,252
Cost of sales	(14,674)	(24,888)	(32,572)	(45,425)
Gross profit	2,990	3,020	4,918	4,827
Other income	320	391	1,033	839
Expenses	(1,937)	(2,103)	(4,023)	(4,005)
Profit from operation	1,373	1,308	1,928	1,661
Finance costs	(805)	(1,065)	(1,805)	(2,275)
<b>Profit/(Loss) before taxation</b>	568	243	123	(614)
Taxation	(194)	(138)	(195)	(28)
<b>Profit/(Loss) net of tax, representing total comprehensive income/(loss) for the period</b>	374	105	(72)	(642)
Total comprehensive income/(loss) attributable to:				
- Equity holders of the Company	374	105	(72)	(642)
- Non-controlling interest	-	-	-	-
	374	105	(72)	(642)
Earnings/(Loss) per share (Sen) attributable to equity holders of the Company:				
- Basic	0.21	0.06	(0.04)	(0.36)
- Diluted	N/A	N/A	N/A	N/A

Notes:

*The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statement.*



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
30 JUNE 2020**

	<b>Unaudited As at 30 June 2020 RM'000</b>	<b>Audited As at 31 December 2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	67,172	64,068
Right-of-use assets	24,077	24,560
Deferred tax assets	31	31
	91,280	88,659
<b>Current assets</b>		
Inventories	108,183	106,081
Trade and other receivables	49,865	47,815
Tax recoverable	2,111	1,715
Other investments	1,068	1,050
Cash and bank balances	11,840	14,337
	173,067	170,998
<b>Total Assets</b>	<b>264,347</b>	<b>259,657</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	92,024	92,024
Merger reserve	3,633	3,633
Retained earnings	64,254	64,326
<b>Total equity attributable to equity holders of the Company</b>	<b>159,911</b>	<b>159,983</b>
<b>Non-current liabilities</b>		
Loans and borrowings	6,826	9,034
Deferred tax liabilities	5,631	5,761
Lease liabilities	18	28
	12,475	14,823
<b>Current liabilities</b>		
Trade and other payables	23,252	13,914
Amount due to Directors	61	45
Tax liabilities	285	122
Loans and borrowings	68,310	70,681
Lease liabilities	53	89
	91,961	84,851
<b>Total liabilities</b>	<b>104,436</b>	<b>99,674</b>
<b>Total equity and liabilities</b>	<b>264,347</b>	<b>259,657</b>
Net assets per share attributable to equity holders of the Company (RM)	0.89	0.89

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 2019 and the accompanying explanatory notes attached to this interim financial statement.*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020**

	<b>Share Capital RM'000</b>	<b>Non- distributable Merger Reserve RM'000</b>	<b>Distributable Retained Earnings RM'000</b>	<b>Total RM'000</b>
At 1 January 2020	92,024	3,633	64,326	159,983
Total comprehensive loss for the period	-	-	(72)	(72)
At 30 June 2020	<u>92,024</u>	<u>3,633</u>	<u>64,254</u>	<u>159,911</u>

*Notes:*

*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 2019 and the accompanying explanatory notes attached to this interim financial statement.*



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2020**

	<b>Current Year to Date 30 June 2020 RM'000</b>	<b>Preceding Year Corresponding Period 30 June 2019 RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit/(Loss) before tax	123	(614)
Adjustments for:		
Amortisation of prepaid lease payments	-	115
Depreciation of right-of-use assets	483	-
Depreciation of property, plant and equipment	3,744	4,437
Finance costs	1,805	2,275
Unrealised foreign exchange loss	45	19
Operating profit before changes in working capital	6,200	6,232
Changes in working capital:		
Inventories	(2,102)	(1,160)
Trade and other receivables, deposits and prepayments	(1,992)	(406)
Trade and other payables	9,185	(1,031)
Amount due to Directors	16	240
<b>Cash generated from operations</b>	11,307	3,875
Income tax paid, net of refund	(558)	(811)
Interest paid	(1,247)	(1,501)
<b>Net cash generated from operating activities</b>	9,502	1,563
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(6,848)	(129)
Placement of fixed deposits with original maturity exceeding three months	(18)	-
<b>Net cash used in investing activities</b>	(6,866)	(129)
<b>Cash Flows from Financing Activities</b>		
Net repayment of borrowings	(5,949)	(5,842)
Net repayment of finance leases	(17)	(31)
Payment of lease liabilities	(46)	-
Interest paid	(558)	(774)
<b>Net cash used in financing activities</b>	(6,570)	(6,647)
Net decrease in cash and cash equivalents	(3,934)	(5,213)
Effect of exchange rate fluctuations on cash held and bankers acceptances	50	(44)
Cash and cash equivalents at beginning of period	(8,310)	(12,737)
Cash and cash equivalents at end of period	(12,194)	(17,994)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 June 2020 (CONTINUED)**

**Notes:**

	<b>Current Year to Date 30 June 2020 RM'000</b>	<b>Preceding Year Corresponding Period 30 June 2019 RM'000</b>
<b>Cash outflows for leases as a lessee</b>		
<b>Included in net cash from operating activities:</b>		
Interest paid in relation to lease liabilities	3	-
<b>Included in net cash from financing activities:</b>		
Payment of lease liabilities	46	-
<b>Total cash outflows for leases</b>	49	-
<b>Cash and cash equivalents at end of period comprises:</b>		
Cash and bank balances	11,276	7,909
Fixed deposits with original maturities not exceeding three months	564	-
Bank overdrafts	(24,034)	(25,903)
	(12,194)	(17,994)

*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 2019 and the accompanying explanatory notes attached to this interim financial statement.*



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020**

**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 2019.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 2019, 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 2020.

<b>Title</b>	<b>Effective date</b>
Amendments to MFRS 3, <i>Business Combinations</i> - <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101, <i>Presentation of Financial Statements</i> and MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> - <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 4, <i>Business Combination</i> - <i>Definition of Business</i>	1 January 2020
MFRS 17, <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 101, <i>Presentation of Financial Statements</i> - <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022
Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures</i> - <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

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



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020**

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

**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 2019 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 30 June 2020.

**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.



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020**

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

**A9. Segment information (Continued)**

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 RM'000</b>	<b>Marketing RM'000</b>	<b>Other non- Reportable segment RM'000</b>	<b>Total RM'000</b>
<i>As At 30 June 2020</i>				
Segment (loss)/profit	(912)	926	109	123
Included in the measure of segment (loss)/ profit are:				
Revenue from external customers	20,813	16,677	-	37,490
Inter-segment revenue	14,244	-	-	14,244
Depreciation	(4,114)	(113)	-	(4,227)
Finance costs	(1,820)	8	7	(1,805)
<i>As At 30 June 2019</i>				
Segment (loss)/profit	(2,476)	1,726	136	(614)
Included in the measure of segment (loss)/profit are:				
Revenue from external customers	30,111	20,141	-	50,252
Inter-segment revenue	16,155	-	-	16,155
Amortisation	(115)	-	-	(115)
Depreciation	(4,337)	(100)	-	(4,437)
Finance costs	(2,489)	5	209	(2,275)

**A10. Property, plant and equipment**

During the current financial quarter, the Group acquired assets at cost of RM6.85 million (30 June 2019: RM0.13 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.





**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020**

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

**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 30 June 2020 are as follows:

	<b>As at 30 June 2020 RM'000</b>
<b>Commitments in respect of capital expenditure:</b>	
- Approved and contracted for	29,015

**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 JUNE 2020**

**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 RM17.66 million and recorded a profit before tax of RM0.57 million for the current quarter as compared to revenue of RM27.91 million and profit before tax of RM0.24 million for the corresponding quarter in prior year.

**B2. Comment on Material Change in Profit/Loss before Tax Against Immediate Preceding Quarter**

The Group achieved revenue of RM17.66 million and recorded a profit before tax of RM0.57 million for the current quarter as compared to revenue of RM19.83 million and loss before tax of RM0.45 million for immediate preceding quarter.

The decrease in revenue for the current quarter is mainly due to lower sales volume and hence results in loss before tax for the current quarter as compared to the immediate preceding quarter.

**B3. Commentary on Prospects**

The Group expects to continue to face the challenging economic and business environment in the coming quarters. The global growth prospects are significantly weakened by the ongoing outbreak of Covid-19 pandemic. The factory closures and lockdowns imposed on many major cities due to Covid-19 have caused global supply chain disruptions particularly in the first and second quarters of 2020. The global economy outlook is heavily dependent on how the world successfully contain this pandemic in the months to come. Nevertheless, the global economy remains to be influenced by the effect of the US-China trade war and the major slowdown of the economic momentum in China and the rest of the world. Furthermore, the sluggish demand and lower world commodity prices, continue to be a source of concern. However, the Group is confident that through continuous improvement in the products and services, efficiency in production, expansion of customer base and gradual relaxation of lockdown measures, 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 JUNE 2020**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)**

**B5. Profit/(Loss) before Tax**

Included in the profit/(loss) before tax are the following items:

	<b>Current Quarter 3 Months Ended</b>		<b>Cumulative Quarter 6 Months Ended</b>	
	<b>30 June 2020 RM'000</b>	<b>30 June 2019 RM'000</b>	<b>30 June 2020 RM'000</b>	<b>30 June 2019 RM'000</b>
Profit/(Loss) for the period derived at after charging and crediting:				
Amortisation of prepaid lease payments	-	58	-	115
Depreciation of right-of-use assets	192	-	483	-
Depreciation of property, plant and equipment	1,923	2,221	3,744	4,437
Rental of premises - expenses	18	28	36	57
Finance costs	805	1,065	1,805	2,275
Foreign exchange (gain)/loss:				
- realised	(313)	(403)	(591)	(508)
- unrealised	174	59	45	19
Rental of premises - income	(8)	(9)	(16)	(17)

**B6. Taxation**

	<b>Current Quarter 3 Months Ended</b>		<b>Cumulative Quarter 6 Months Ended</b>	
	<b>30 June 2020 RM'000</b>	<b>30 June 2019 RM'000</b>	<b>30 June 2020 RM'000</b>	<b>30 June 2019 RM'000</b>
Malaysian taxation				
- current year	175	247	326	446
- prior year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	175	247	326	446
Deferred taxation	19	(109)	(131)	(418)
Taxation	<hr/>	<hr/>	<hr/>	<hr/>
	194	138	195	28



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)**

**B7. Loans and Borrowings**

Total Group borrowings as at 30 June 2020 were as follows:

	<b>As at 30 June 2020 RM'000</b>
<b>Current</b>	
- Secured	68,310
- Unsecured	-
	68,310
<b>Non-current</b>	
- Secured	6,826
	75,136
<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/(Loss) 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 2020. As such, the fully diluted earnings/(loss) per share of the Company are equivalent to the basic earnings/(loss) per share.

	<b>Current Quarter 3 Months Ended</b>		<b>Cumulative Quarter 6 Months Ended</b>	
	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
Profit/(Loss) attributable to equity holders of the Company (RM'000)	374	105	(72)	(642)
Weighted average number of ordinary share in issuance ('000)	180,000	180,000	180,000	180,000
Basic earnings/(loss) per share (Sen)	0.21	0.06	(0.04)	(0.36)
Diluted	N/A	N/A	N/A	N/A



**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2020**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (CONTINUED)**

**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 2020.

**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 passed at Board of Directors' meeting held on 25 August 2020.