

WOODLANDOR HOLDINGS BERHAD

(Incorporated in Malaysia) Company No.199601004347 (376693-D)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 June 2020

		2020	2019	2020	2019
		Current	Comparative	18 months	18 months
		quarter ended	quarter ended	cumulative	cumulative
		30 June	30 June	to date	to date
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	B1	836	N/A	13,540	N/A
Operating expenses		(3,103)	N/A	(20,733)	N/A
Other operating income		50	N/A	275	N/A
(Loss)/Profit from operations		(2,217)	N/A	(6,917)	N/A
Finance costs		(64)	N/A	(329)	N/A
Finance income		63	N/A	274	N/A
(Loss)/Profit before tax	B5	(2,218)	N/A	(6,973)	N/A
Taxation	B6	513	N/A	491	N/A
Net loss for the period		(1,705)	N/A	(6,481)	N/A
Attributable to:					
Owners of the Company		(1,705)	N/A	(6,481)	N/A
Non-controlling interests		-	-	-	-
Net loss for the period		(1,705)	N/A	(6,481)	N/A
Basic loss per share (sen)	B11	(4.26)	N/A	(16.20)	N/A

Due to the change in the current financial year end from 31 December 2019 to 30 Jun 2020 ,there were no comparative financial information available for the current year quarter ended 30 June 2020 and 18-month financial period ended 30 June 2020.

WOODLANDOR HOLDINGS BERHAD
(Incorporated in Malaysia) Company No.199601004347 (376693-D)

Condensed Consolidated Statement of Financial Position as at 30 June 2020

	Note	Unaudited As of 30 June 2020 RM'000	Audited As of 31 December 2018 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		17,982	19,447
Investment properties		12,712	12,712
Prepaid lease payments		953	969
Other investments		36	23
		31,683	33,151
Current Assets			
Inventories		6,030	6,620
Trade receivables		2,558	7,315
Other receivables		1,007	1,531
Tax recoverable		1,283	1,093
Deposits with licensed banks		4,619	6,342
Cash and bank balances		1,467	2,219
		16,964	25,121
TOTAL ASSETS		48,647	58,271

(Forward)

		Unaudited As of 30 June 2020 RM'000	Audited As of 31 December 2018 RM'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		40,002	40,002
Reserves		(1,944)	5,137
Total equity		<u>38,057</u>	<u>45,139</u>
Non-Current Liabilities			
Long-term borrowings	B8	230	612
Deferred tax liabilities		641	1,049
		<u>871</u>	<u>1,661</u>
Current Liabilities			
Trade payables		4,032	5,775
Other payables and accrued expenses		1,533	2,629
Short-term borrowings	B8	4,154	3,068
Total Current Liabilities		<u>9,719</u>	<u>11,472</u>
Total Liabilities		<u>10,590</u>	<u>13,133</u>
TOTAL EQUITY AND LIABILITIES		<u>48,647</u>	<u>58,271</u>
Net assets per share (RM)		<u>0.95</u>	<u>1.13</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

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***Condensed Consolidated Statement of Changes In Equity
for the period ended 30 June 2020***

	Share Capital RM'000	<u>Distributable</u> Retained Earnings RM'000	Shareholders' Equity RM'000
At 1 January 2019	40,002	5,137	45,139
Net loss for the period	-	(6,481)	(6,481)
Interim Dividend paid	-	(600)	(600)
At 30 June 2020	40,002	(1,944)	38,058
At 1 January 2018	N/A	N/A	N/A
Net profit for the period	N/A	N/A	N/A
At 31 December 2018	N/A	N/A	N/A

Due to the change in the current financial year end from 31 December 2019 to 30 Jun 2020 ,there were comparative financial information available for the current year quarter ended 30 June 2020 and 18-m financial period ended 30 June 2020.

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Condensed Consolidated Statement of Cash Flows for the period ended 30 June 2020

	For the period ended 30 June 2020 RM'000	For the period ended 31 December 2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(6,481)	2,819
Adjustments for:		
Depreciation of property, plant and equipment	1,699	1,366
Property, plant and equipment written off	-	3
Gain on fair value adjustment on investment properties	-	(4,203)
Allowance for doubtful debts	247	189
Provision of slow moving inventories	501	1,864
Allowance for doubtful debts no longer required	-	(226)
Finance costs	329	286
Amortisation of prepaid lease payments	16	11
Finance income	(274)	(212)
Interest income from overdue debts	(65)	(211)
Impairment loss on other receivable	-	68
Impairment loss on other investment	-	244
Operating (loss)/profit before working capital changes	(4,028)	1,999
Changes in working capital :		
Net change in current assets	3,555	(487)
Net change in current liabilities	(882)	211
Cash (used in)/generated from operations	(1,355)	1,723
Tax paid	(1,590)	(1,040)
GST refunded	28	-
Net cash (used in)/ from operating activities	(2,917)	684
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in other investment	(14)	-
Purchase of property, plant and equipment	-	(167)
Interest received	80	423
Increase in fixed deposits pledged with licensed banks	(76)	(59)
Net cash from investing activities	(10)	197

(Forward)

	For the period ended 30 June 2020 RM'000	For the period ended 31 December 2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Net changes of short-term borrowings	(1,341)	874
Interest expense paid	(329)	(286)
Net changes of hire-purchase obligations	(237)	(253)
Net cash used in financing activities	<u>(1,907)</u>	<u>335</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,834)	1,216
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	6,743	5,527
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>1,909</u>	<u>6,743</u>
Cash and cash equivalents comprise:		
Cash and bank balances	1,467	2,219
Fixed deposits with licensed banks	4,619	6,342
Bank overdrafts	(2,556)	(274)
	<u>3,530</u>	<u>8,287</u>
Fixed deposits pledged with licensed banks	(1,621)	(1,544)
	<u>1,909</u>	<u>6,743</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

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Selected Explanatory Notes to the Interim Financial Statements for the period ended 30 June 2020

A1 Accounting policies

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. These explanatory notes attached to 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 Woodlandor Holdings Berhad (“Woodlandor” or the “Company”) and its subsidiaries (“Group”) since the year ended 31 December 2018.

Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2018, except for the adoption of the following Malaysian Financial Reporting Standards (“MFRSs”) and amendments to MFRS for financial periods beginning on or after 1 January 2019:-

<u>Title</u>	<u>Standard effective for financial periods beginning on/after</u>
MFRS 16, Leases	1 January 2019
Amendments to MFRS 3, “Business Combination” (Annual Improvements to 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 9, “Prepayment Features with Negative Compensation”	1 January 2019
Amendments to MFRS 11, “Joint Arrangement” (Annual Improvements to 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 112, “Income Taxes” (Annual Improvements to 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 119, “Employee Benefits” (Plan Amendment, Curtailment or Settlement)	1 January 2019
Amendments to MFRS 123, “Borrowing Costs” (Annual Improvements to 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 128, “Long-term Interests in Associates and Joint Ventures”	1 January 2019
IC Interpretations 23, “Uncertainty over Income Tax Treatments”	1 January 2019

A1 Significant Accounting Policies (Cont'd)

As at the date of authorisation of the interim financial report, the following new MFRSs, amendments to MFRSs and IC Interpretations were issued but not yet effective and have not been adopted by the Group:-

<u>Title</u>	<u>Standard effective for financial periods beginning on/after</u>
Amendments to MFRS 2, "Share Based Payment"	1 January 2020
Amendments to MFRS 3, "Business Combinations"	1 January 2020
Amendments to MFRS 6, "Exploration for and Evaluation of Mineral Resources"	1 January 2020
Amendments to MFRS 14, "Regulatory Deferral Accounts"	1 January 2020
Amendments to MFRS 101, "Presentation of Financial Statements"	1 January 2020
Amendments to MFRS 108, "Accounting Policies, Changes in Accounting Estimates and Errors"	1 January 2020
Amendments to MFRS 134, "Interim Financial Reporting"	1 January 2020
Amendments to MFRS 137, "Provisions, Contingent Liabilities and Contingent Assets"	1 January 2020
Amendments to MFRS 138, "Intangible Assets"	1 January 2020
Amendments to IC Interpretation 12, "Service Concession Arrangements"	1 January 2020
Amendments to IC Interpretation 19, "Extinguishing Financial Liabilities with Equity Instruments"	1 January 2020
Amendments to IC Interpretation 20, "Stripping Costs in the Production Phase of a Surface Mine"	1 January 2020
Amendments to IC Interpretation 22, "Foreign Currency Transactions and Advance Consideration"	1 January 2020
Amendments to IC Interpretation 132, "Intangible Assets – Web Site Costs"	1 January 2020
MFRS 17, "Insurance Contracts"	1 January 2021
Amendments to MFRS 10 and MFRS 128, "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	Effective date yet to be determined by the Malaysian Accounting Standards Board

The Group will adopt the above pronouncement when they become effective in the respective financial periods. The adoption of the above accounting standards, amendments to accounting standards and IC Interpretations effective during the financial period is not expected to have any significant impact to the financial results and position of the Group.

A2 Declaration of audit qualification

The audit report on the Group's preceding annual audited financial statements was not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations were not materially affected by any seasonality or cyclicity in the quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There was no item of material and unusual nature, which would adversely affect the Group's assets, liabilities, equity, net income or cash flows for the current financial period.

A5 Change in estimates

There was no material changes in estimates of amounts reported in prior financial year.

A6 Debts and equity securities

There were no issuances, repurchases and repayments of debt and equity securities during the period ended 30 June 2020.

A7 Dividend paid

The Company paid an interim dividend of 1.5 sen per share on 17th January 2020.

A8 Segmental reporting

Segmental reporting for the financial period ended 30 June 2020:

	Investment holding RM'000	Manufacturing RM'000	Trading RM'000	Property Development RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External	-	11,090	2,450	-	-	13,540
Inter-segment	1,782	1,984	119	-	3,885	-
Total revenue	1,782	13,074	2,569	-	3,885	13,540
Results						
Segment results	(1,319)	(5,820)	(749)	(7)	968	(6,917)
Finance costs						(329)
Finance income						274
Loss before tax						(6,973)
Income tax expense						491
Net loss for the period						(6,481)

A9 *Valuation of property, plant and equipment*

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual audited financial statements.

A10 *Subsequent material events*

There was no item of material and unusual nature, which would adversely affect the Group's assets, liabilities, equity, net income or cash flow for the current financial period to date.

A11 *Changes in composition of the Group*

There were no other changes in the composition of the Group for the current financial period to date.

A12 *Changes in contingent liabilities and contingent assets*

There were no changes in contingent liabilities and contingent assets since the date of the last annual financial statements.

A13 *Fair value hierarchy*

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Input for the asset or liability that is not based on observable market data.

The following table analyses the fair value hierarchy for financial instruments carried at fair value as at the reporting date.

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
As at 30 June 2020				
Financial assets				
Available-for-sales financial assets				
-Other investments	36	-	-	36
As at 31 December 2018				
Financial assets				
Available-for-sales financial assets				
-Other investments	23	-	-	23

B1 *Review of performance*

The Group's revenue for the current financial quarter compared to the previous corresponding quarter decreased by RM1.452 million. The decreased was mainly attributable to the Manufacturing segment.

Manufacturing segment

Revenue from manufacturing segment decreased from RM2.040 million to RM0.678 million over the corresponding quarter.

Trading segment

Trading revenue had decreased by 0.091 million from 0.248 million in previous corresponding quarter to 0.158 million in the current quarter under review.

Overall, the Group registered a loss before tax of RM2.218 million for the current financial quarter as compared to loss before tax of RM0.780 million in previous corresponding quarter. This was mainly due to lower sales volume.

B2 *Comparison with the immediate preceding quarter's result*

The Group posted a loss before tax of RM2.218 million for the current financial quarter as compared to loss before tax of RM1.259 million in the immediate preceding quarter. This was mainly attributable to lower sales volume for the current quarter.

B3 *Prospect*

Following the COVID-19 outbreak globally, there is a significant commercial impact in addition to the human impact. The ensuing economic crisis from COVID-19 pandemic paralyzes the global economy as a whole and recovery is expected to take a long time. The Board anticipates the challenging environment to remain into the foreseeable future.

Nonetheless, the Company will continue to monitor the financial impact on its financial and operation closely and take appropriate measures as and when needed.

B4 *Profit forecast or profit guarantee*

Not applicable as there was no profit forecast/guarantee published.

**Listing Requirements of Bursa Malaysia Securities Berhad – Part A of Appendix 9B
(Cont'd)**

B5 (Loss)/Profit before tax

(Loss)/Profit before tax is arrived at after charging/(crediting) the following:

	2020 Current quarter Ended 30 June RM'000	2020 18 months cumulative to date RM'000
Finance income	(63)	(274)
Depreciation	261	1,699
Amortisation	3	17
Finance costs	64	329
Allowance for doubtful debts	21	247

Other disclosure items pursuant to Appendix 9B, Part A Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B6 Income tax expense

	2020 Current quarter ended 30 June RM'000	2019 18 months cumulative to date RM'000
Income tax		
-Current quarter/period	(920)	(898)
Deferred taxation	407	407
	<u>(513)</u>	<u>(491)</u>

B7 Status of corporate proposals

There was no corporate proposal announced but not completed at the date of issuance of the interim financial statements.

**Listing Requirements of Bursa Malaysia Securities Berhad – Part A of Appendix 9B
(Cont'd)**

B8 *Group borrowings*

Group borrowings for the financial period ended 30 June 2020:

	Total RM'000
Secured:	
Short term borrowings	4,154
Long term borrowings	230
	<u>4,384</u>

The Group does not have any borrowings denominated in foreign currency.

B9 *Material litigations*

There is no material litigation as at the date of this quarterly report.

B10 *Dividend*

The company paid an interim dividend of 1.5 sen per share on 17th Jan 2020.

B11 *Earnings per share*

	2020 Current quarter ended 30 June	2019 Comparative quarter ended 30 June	2020 18 months cumulative to date	2018 12 months cumulative to date
(Loss)/ Profit attributable to the owners of the Company (RM'000)	(1,705)	N/A	(6,481)	N/A
Weighted average number of ordinary shares ('000)	40,002	N/A	40,002	N/A
Basic (loss)/ profit per share (sen)	(4.26)	N/A	(16.20)	N/A