



RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2021

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 31.03.2021	Quarter ended 31.03.2020	Year to date ended 31.03.2021	Year to date ended 31.03.2020
		RM'000	RM'000	RM'000	RM'000
Revenue		67,200	57,365	67,200	57,365
Cost of sales		(48,320)	(45,754)	(48,320)	(45,754)
Gross profit		18,880	11,611	18,880	11,611
Other operating income		4,038	2,837	4,038	2,837
Operating expenses		(14,799)	(17,240)	(14,799)	(17,240)
Finance costs		(117)	(295)	(117)	(295)
Profit/(Loss) before tax		8,002	(3,087)	8,002	(3,087)
Tax expense	19	(807)	(436)	(807)	(436)
Net profit/(loss) for the period		7,195	(3,523)	7,195	(3,523)
Other comprehensive loss:					
Foreign currency translations, net of tax		(109)	(851)	(109)	(851)
Total comprehensive income/(loss) for the period		7,086	(4,374)	7,086	(4,374)
Profit/(Loss) attributable to owners of the parent		7,195	(3,523)	7,195	(3,523)
Total comprehensive income/(loss) attributable to owners of the parent		7,086	(4,374)	7,086	(4,374)
Earnings/(Loss) per share attributable to owners of the parent	25				
Basic (sen)		8.70	(4.26)	8.70	(4.26)
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

(The Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2020)

	Note	As at 31.03.2021 RM'000	As at 31.12.2020 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		334,299	337,976
Right-of-use assets		57,681	57,308
Investment properties		22,000	22,000
Other investments		130	130
Intangible asset		10	11
Deferred tax asset		659	640
		414,779	418,065
Current Assets			
Inventories		54,054	52,878
Trade receivables		48,174	44,405
Other receivables, deposits & prepayments		8,069	9,635
Current tax assets		805	656
Cash and bank balances		32,770	30,852
		143,872	138,426
Total Assets		<u>558,651</u>	<u>556,491</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		82,672	82,672
Reserves			
<u>Non-Distributable:</u>			
Revaluation reserve		129,145	129,145
Exchange translation reserve		(640)	(531)
Fair value reserve		47	47
<u>Distributable:</u>			
Retained earnings		262,528	255,333
		391,080	383,994
Total Equity		<u>473,752</u>	<u>466,666</u>
Non-Current Liabilities			
Employment benefit obligation		421	392
Lease liabilities		716	397
Deferred tax liabilities		41,750	41,851
		42,887	42,640
Current Liabilities			
Trade payables		10,701	9,805
Other payables & accruals		10,076	12,887
Borrowings (interest bearing)	21	19,779	23,422
Lease liabilities		513	346
Current tax liabilities		943	725
		42,012	47,185
Total Liabilities		<u>84,899</u>	<u>89,825</u>
Total Equity and Liabilities		<u>558,651</u>	<u>556,491</u>
Net assets per share attributable to owners of the parent (RM)		5.73	5.64

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year to date ended 31.03.2021 RM'000	Year to date ended 31.03.2020 RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before tax	8,002	(3,087)
Adjustments for:-		
Amortisation and depreciation	8,575	8,703
Depreciation of right-of-use assets	436	437
Interest income	(43)	(71)
Interest expense	109	287
Interest on lease liabilities	8	8
Inventories written down	45	109
Net gain on disposal of property, plant and equipment	-	(230)
Provision for employment benefit obligation	27	22
Provision of impairment losses on trade receivables	140	233
Unrealised (gain)/loss on foreign exchange differences	(707)	4,349
Loss on lease modification	10	-
Operating profit before changes in working capital	16,602	10,760
Net change in current assets	(1,222)	6,041
Net change in current liabilities	(3,052)	(7,475)
Tax paid	(855)	(911)
Net cash from operating activities	11,473	8,415
Cash Flows From Investing Activities		
Interest received	43	71
Proceeds from disposal of property, plant and equipment	-	249
Purchase of property, plant and equipment	(4,875)	(7,757)
Purchase of intangible asset	-	(12)
Net cash used in investing activities	(4,832)	(7,449)
Cash Flows From Financing Activities		
Interest paid	(109)	(287)
Net repayment of bank borrowings	(3,831)	(646)
Repayment of lease liabilities	(139)	(126)
Net cash used in financing activities	(4,079)	(1,059)

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Year to date ended 31.03.2021 RM'000	Year to date ended 31.03.2020 RM'000
Net increase/(decrease) in cash and cash equivalents	2,562	(93)
Effects of exchange rate fluctuations on cash & cash equivalents	(644)	11
Cash and cash equivalents at beginning of the financial period	30,852	22,567
Cash and cash equivalents at end of the financial period	32,770	22,485
 Cash and cash equivalents comprise of:		
Cash and bank balances	28,270	22,485
Short term placements	4,500	-
	32,770	22,485

(The Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2020)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent					Total Equity RM'000
	Non-distributable			Distributable		
	Share capital RM'000	Revaluation reserve RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	
As at 1 January 2020	82,672	128,433	47	231	252,055	463,438
Loss for the financial period	-	-	-	-	(3,523)	(3,523)
Foreign currency translations, net of tax	-	-	-	(851)	-	(851)
Total comprehensive income	-	-	-	(851)	(3,523)	(4,374)
As at 31 March 2020	82,672	128,433	47	(620)	248,532	459,064
As at 1 January 2021	82,672	129,145	47	(531)	255,333	466,666
Profit for the financial period	-	-	-	-	7,195	7,195
Foreign currency translations, net of tax	-	-	-	(109)	-	(109)
Total comprehensive income	-	-	-	(109)	7,195	7,086
As at 31 March 2021	82,672	129,145	47	(640)	262,528	473,752

(The Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2020)

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134, INTERIM FINANCIAL REPORTING

1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with 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.

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2020.

2 Adoption of Malaysian Financial Reporting Standards

The significant accounting policies and methods of computation 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 2020, except for the effects of newly issued Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) applied during the current financial period:-

Title	Effective date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 <i>Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

The Group has not adopted the following Standards that have been issued but not yet effective:

Title	Effective date
Amendment to MFRS 16 <i>Covid 19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts-Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment-Proceeds before Intended Use</i>	1 January 2022
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

The Group does not expect the adoption of the above Standards to have a significant impact on the financial statements.

3 Qualified audit report

The financial statements for the financial year ended 31 December 2020 was not qualified.

4 Seasonal or cyclical factors

The Group's operation is not significantly affected by seasonal or cyclical factors.

5 Unusual items

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

6 Changes in estimates

There is no significant change in estimates of amounts reported in prior interim periods of the current or previous financial year.

7 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current quarter under review.

8 Dividends paid

There were no dividends paid during the quarter under review.

9 Segmental information

Operating segment reporting is not separately presented as the Group is principally engaged in the manufacturing and trading of automotive parts and accessories, which are substantially within a single operating segment.

For the purpose of resources allocation and performance assessment, the chief operating decision-maker reviews the profit from operations of the Group as disclosed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The breakdown of the Group's revenue based on the geographical location of the customers is as follows:

By Geographical Segment	Quarter ended		Year to date ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
– Malaysia	34,731	27,691	34,731	27,691
– ASEAN	11,995	10,005	11,995	10,005
– Non-ASEAN	20,474	19,669	20,474	19,669
Total Segment Revenue	67,200	57,365	67,200	57,365

9 Segmental information (continued)

The Group's segment capital expenditures and non-current assets are as follows:

By Geographical Segment	Quarter ended		Year to date ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	RM'000	RM'000	RM'000	RM'000
<u>Segment Capital Expenditure</u>				
- Malaysia	4,869	7,701	4,869	7,701
- ASEAN	6	56	6	56
- Non-ASEAN	-	12	-	12
Total Segment Capital Expenditure	4,875	7,769	4,875	7,769

By Geographical Segment	As at 31.03.2021	As at 31.12.2020
	RM'000	RM'000
<u>Segment Non-Current Assets</u>		
- Malaysia	368,012	371,602
- ASEAN	46,209	46,283
- Non-ASEAN	558	180
Total Segment Non-Current Assets	414,779	418,065

10 Valuation of Property, Plant and Equipment and Investment Properties

The valuation of land and buildings has been brought forward, without any amendment to the previous annual financial statements.

11 Subsequent events

In the opinion of the Directors, there are no material subsequent events to be disclosed as at the date of this report.

12 Changes in the composition of the Group

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

13 Changes in contingent liabilities

The contingent liabilities of the Group were as follows:

	As at 31.03.2021 RM'000	As at 31.12.2020 RM'000
Corporate guarantees given to banks and vendors for credit facilities granted to subsidiaries	29,492	30,336

14 Capital commitments

**As at
31.03.2021
RM'000**

Property, plant and equipment

Contracted but not provided for

5,455

Approved but not contracted for

32,873

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

15 Review of performance

Comparison of current quarter under review with corresponding quarter of preceding year

Compared to the corresponding quarter of preceding year (“1Q 2020”), revenue increased by RM9.8 million or 17.1% from RM57.4 million to RM67.2 million in the current quarter under review (“1Q 2021”). The increase in revenue was mainly due to Movement Control Order (“MCO”) being implemented in Malaysia in March 2020 as a result of COVID-19 pandemic resulting in operation shutdown during this period as well as global lockdown and slowdown in economy worldwide.

Profit Before Tax (“PBT”) increased by RM11.1 million or 358.1% from Loss Before Tax (“LBT”) of RM3.1 million in 1Q 2020 to RM8.0 million in 1Q 2021. After accounting for the positive differences arising from foreign exchange rate (“forex”) of RM4.8 million, the underlying profit performance was higher by RM6.3 million compared to 1Q 2020. The increase was mainly due to higher sales as stated above as well as lower manufacturing and operating expenses incurred during the current quarter under review.

16 Variation of results against preceding quarter

Compared to the preceding quarter (“4Q 2020”), revenue increased slightly by RM0.6 million or 0.9% from RM66.6 million in 4Q 2020 to RM67.2 million in 1Q 2021 from the local market.

PBT in 4Q 2020 of RM7.9 million approximate to that in 1Q 2021.

17 Future Prospects

The global economic recovery for 2021 is dependent on the successful rollout of effective vaccines worldwide to curb the spread of COVID-19 virus. Many countries around the world are still facing high numbers of new cases daily while in Malaysia, the whole country has been placed under MCO 3.0 until 7 June 2021.

Both the international and domestic business environments remain uncertain and challenging as pandemic dampens demand and continues to stress the global supply chain. Nevertheless, the Group will focus on navigating through these uncertain times to achieve the best outcome.

18 Profit forecast

There was no revenue or profit forecast announced by the Group.

19 Tax expense

	Quarter ended 31.03.2021 RM'000	Year to date ended 31.03.2021 RM'000
Current tax expense	925	925
Deferred tax	(118)	(118)
	807	807

The effective tax rate of the Group for the current quarter under review was lower than the statutory tax rate, mainly due to utilisation of Reinvestment Allowance and temporary differences arising from MFRS 16 group adjustments.

20 Status of corporate proposal

There were no corporate proposals announced but not completed as at the date of this report.

21 Group borrowings and debt securities

	As at 31.03.2021 RM'000	As at 31.12.2020 RM'000
Current liabilities		
<i>Unsecured:-</i>		
Bankers' acceptance	12,487	17,467
Foreign currency trade loan	5,216	3,940
Revolving credit	2,076	2,015
	19,779	23,422
Total borrowings		
Total borrowings		
Bankers' acceptances	12,487	17,467
Foreign currency trade loan	5,216	3,940
Revolving credit	2,076	2,015
	19,779	23,422

21 Group borrowings and debt securities (continued)

The currency exposure profile of borrowings is as follows:

	As at 31.03.2021 RM'000	As at 31.12.2020 RM'000
Ringgit Malaysia	12,487	17,467
US Dollar	7,292	5,955
	<u>19,779</u>	<u>23,422</u>

22 Changes in fair value of financial instruments

The carrying amounts of the financial instruments of the Group as at reporting date approximate their fair values due to relatively short term maturity of these financial instruments.

23 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings, which might materially affect the position or business of the Group as at the date of this report.

24 Dividend

The Board of Directors has not recommended any interim dividend for the financial quarter ended 31 March 2021.

25 Earnings/(Loss) per share

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Quarter ended 31.03.2021	Quarter ended 31.03.2020	Year to date ended 31.03.2021	Year to date ended 31.03.2020
Net profit/(loss) attributable to owners of the parent (RM'000)	<u>7,195</u>	<u>(3,523)</u>	<u>7,195</u>	<u>(3,523)</u>
Weighted average number of ordinary shares applicable to basic earnings per share ('000)	82,672	82,672	82,672	82,672
Basic earnings/(loss) per share (sen)	8.70	(4.26)	8.70	(4.26)

26 Profit before tax

	Quarter ended 31.03.2021 RM'000	Year to date ended 31.03.2021 RM'000
Profit before tax is arrived at after charging/(crediting):		
Amortisation of intangible asset	2	2
Depreciation of property, plant and equipment	8,573	8,573
Depreciation of right-of-use assets	436	436
Gain on foreign exchange:		
- Realised	(233)	(233)
- Unrealised	(899)	(899)
Interest expense	109	109
Interest on lease liabilities	8	8
Interest income	(43)	(43)
Inventories written down	45	45
Loss on foreign exchange:		
- Unrealised	192	192
Provision for employment benefit obligation	27	27
Rental income from investment properties	(183)	(183)
Loss on lease modification	10	10
Provision of impairment losses on trade Receivables	140	140

By Order of the Board

WONG YOUN KIM

Secretary

Kuala Lumpur

21 May 2021