

**GPA Holdings Berhad**

Unaudited Interim Report for the Twelve Months Ended 31 March 2019

**Condensed Consolidated Statement of Comprehensive Income***(The current year figures have not been audited)*

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	3 months ended		12 months ended	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000	RM'000	RM'000
Sales	7,339	13,920	40,510	67,406
Cost of Sales	(7,033)	(12,211)	(36,170)	(62,147)
Gross Profit	306	1,709	4,340	5,259
Other income				
- Non-operating income	388	372	2,535	1,611
- Interest income	497	362	1,690	1,209
	1,191	2,443	8,565	8,079
Operating Expenses	(1,982)	(2,791)	(8,561)	(9,222)
Profit/(Loss) from operations	(791)	(348)	4	(1,143)
Finance cost	-	-	-	-
Profit/(Loss) before tax	(791)	(348)	4	(1,143)
Tax	(237)	(57)	(283)	(177)
Loss after tax	(1,028)	(405)	(279)	(1,320)
Other comprehensive income, net of taxation	-	-	-	-
Total comprehensive loss for the period	(1,028)	(405)	(279)	(1,320)
Total comprehensive loss attributable to:				
-Owners of the Company	(1,181)	(290)	(591)	(1,281)
-Non-controlling interests	153	(115)	312	(39)
Net comprehensive loss for the period	(1,028)	(405)	(279)	(1,320)
Loss per share - basic (Sen)	(0.12)	(0.03)	(0.06)	(0.13)

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the financial statements for the financial year ended 31 March 2018

**GPA Holdings Berhad**  
 Unaudited Interim Report as at 31 March 2019  
**Condensed Consolidated Statement of Financial Position**  
*(The current year figures have not been audited)*

	As at 31/03/2019 RM'000	As at 31/03/2018 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	29,871	31,354
Investment property	14,371	14,514
	<u>44,242</u>	<u>45,868</u>
<b>Current assets</b>		
Inventories	7,673	6,124
Receivables, deposits and prepayments	15,398	23,253
Tax Recoverable	751	728
Cash and bank balances	58,933	52,184
	<u>82,755</u>	<u>82,289</u>
<b>TOTAL ASSETS</b>	<u>126,997</u>	<u>128,157</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	104,303	104,303
Reserves	2,052	3,483
<b>Shareholders' equity</b>	<u>106,355</u>	<u>107,786</u>
Non-controlling interests	4,859	4,547
<b>Total Equity</b>	<u>111,214</u>	<u>112,333</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	3,520	2,719
	<u>3,520</u>	<u>2,719</u>
<b>Current liabilities</b>		
Trade Payables	1,244	299
Other payables	11,019	12,806
	<u>12,263</u>	<u>13,105</u>
<b>Total Liabilities</b>	<u>15,783</u>	<u>15,824</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>126,997</u>	<u>128,157</u>
<b>Net Assets per Share (RM)</b>	<u>0.11</u>	<u>0.11</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the financial statements for the financial year ended 31 March 2018

**GPA Holdings Berhad**  
 Unaudited Interim Report for the Twelve Months Ended 31 March 2019  
**Condensed Consolidated Statement of Changes in Equity**  
*(The current year figures have not been audited)*

Note	Attributable to equity holders of the Parent							Total Equity RM '000
	Share Capital RM '000	Non-distributable			Distributable		Total Equity Funds RM '000	
		Share Premium RM '000	Available for sales reserves RM '000	Revaluation reserves RM '000	Retained Earnings RM '000	Non- controlling interests RM '000		
<b>Balance as at 1 April 2017</b>	104,303	-	-	22,027	(17,263)	109,067	4,586	113,653
- as previously reported	-	-	-	-	(1,281)	(1,281)	(39)	(1,320)
Total comprehensive loss for the period	-	-	-	114	(114)	-	-	-
Realisation of Revaluation surplus of Investment property	-	-	-	22,141	(18,658)	107,786	4,547	112,333
<b>Balance as at 31 March 2018</b>	104,303	-	-	22,141	(18,658)	107,786	4,547	112,333
- as previously reported	-	-	-	-	(591)	(591)	312	(279)
Total comprehensive loss for the period	-	-	-	(124)	124	-	-	-
Realisation of revaluation surplus on property, plant and equipment	-	-	-	(840)	-	(840)	-	(840)
Effect of changes in tax rate on property, plant and equipment	-	-	-	21,177	(19,125)	106,355	4,859	111,214
<b>Balance as at 31 March 2019</b>	104,303	-	-	21,177	(19,125)	106,355	4,859	111,214

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the financial year ended 31 March 2018

**GPA Holdings Berhad**

Unaudited Interim Report for the Twelve Months Ended 31 March 2019

**Condensed Consolidated Statement of Cash flows***(The current year figures have not been audited)*

	<b>12 months ended 31/03/2019 RM'000</b>	<b>12 months ended 31/03/2018 RM'000</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	51,000	75,381
Cash paid to suppliers and employees	(45,451)	(57,536)
Interest received	1,690	1,209
Dividend received	85	-
Tax refund	350	610
Tax paid	(697)	(580)
<b><i>Net cash from operating activities</i></b>	<b>6,977</b>	<b>19,084</b>
<b>Cash flows for investing activities</b>		
Purchase of property, plant and equipment	(262)	(1,140)
Proceeds from disposal of property, plant and equipment	34	17
<b><i>Net cash used in investing activities</i></b>	<b>(228)</b>	<b>(1,123)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,749</b>	<b>17,961</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>52,184</b>	<b>34,223</b>
<b>Cash and cash equivalents at end of the period</b>	<b>58,933</b>	<b>52,184</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the financial statements for the financial year ended 31 March 2018

# GPA HOLDINGS BERHAD

## Notes to the Financial Information – Fourth Quarter ended 31 March 2019

(The current year figures have not been audited)

### A. Explanatory Notes Pursuant to MFRS 134

#### 1) Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRSs") 134: Interim Financial Reporting in Malaysia and Appendix 9B of the ACE Market Listing Requirements of Bursa Securities ("Listing Requirements").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2018. The 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 the Group since the financial year ended 31 March 2018.

#### 2) Changes in Accounting Policies

The Group's financial statements was prepared in accordance with MFRSs, which is in line with International Financial Reporting Standards as issued by the International Accounting Standards Board. The adoptions of new and revised MFRSs, Amendments/Improvements to MFRSs, IC Interpretations and Amendments to IC Interpretations in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2018.

- a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

##### **MFRSs and IC Interpretations (including the Consequential Amendments)**

Annual improvements to MFRSs 2014 - 2016 cycle	
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards	1 January 2018
- Amendments to MFRS 128, Investments in Associates and Joint Ventures	1 January 2018
Amendments to MFRS 2, Share-based Payment: Classification and Measurement of Share-based Payment Transactions	1 January 2018
MFRS 9, Financial Instruments (2014)	1 January 2018
MFRS 15, Revenue from Contracts with Customers	1 January 2018
Clarifications to MFRS 15, Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 140, Investment Property: Transfers of Investment Property	1 January 2018
IC Interpretation 22, Foreign Currency Transactions and Advance Consideration	1 January 2018

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's interim financial statements.

- b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial period:-

<b>MFRSs and IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 16, Leases	1 January 2019
Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: Sales or Contribution of Assets between an investor and its Associates or Joint Ventures	Deferred
Amendments to MFRS 9 <i>Financial Instruments (2014) – Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 128 <i>Investments in Associates and Joint Ventures – Long-term Interest in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 3 <i>Business Combinations – Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 11 <i>Joint Arrangements - Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 112 <i>Income Taxes – Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Annual Improvements 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 123 <i>Borrowing Costs – Borrowing Costs Eligible for Capitalisation (Annual Improvements 2015-2017 Cycle)</i>	1 January 2019
Amendments to MFRS 119 <i>Employee Benefits – Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 <i>Business Combination – 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 – Definition of Material</i>	1 January 2020
MFRS 17 <i>Insurance Contracts</i>	1 January 2021

3) **Auditors' Report**

The auditors' report on the financial statements for the financial year ended 31<sup>st</sup> March 2018 was not subject to any qualification.

4) **Seasonal and Cyclical Factors**

Export Sales - High season for battery sales occur during the winter months and low season during the summer months.

Local Sales - Low season for battery sales occur during the major festive months.

5) **Individually Significant Items**

There were no individually significant items for the current quarter and financial year-to-date.

6) **Material Changes in Estimates**

There were no material changes in estimates for the current quarter and financial year-to-date.

7) **Debt and Equity Securities**

The Company had on 4 June 2015 issued and allotted 196,097,520 ordinary shares of RM0.10 each ("Rights Shares") together with 490,243,800 free detachable warrants ("Warrants 2015/2025") pursuant to its Rights Issue with Warrants exercise which was completed on 10 June 2015. The Warrants 2015/2025 were admitted to the Official List and were granted Listing and quotation on the Main Market of Bursa Malaysia Securities Berhad. As at the date of this annual report, none of the Warrants 2015/2025 have been exercised.

8) **Dividends Paid**

No dividend was paid during the current quarter ended 31<sup>st</sup> March 2019.

## 9) Segmental Reporting

The Group is organized into two main business segments as follows:

	Automotive Batteries RM'000	Non- Automotive Batteries RM'000	Personal Care Products RM'000	Eliminations RM'000	Group RM'000
<b>Financial year-to-date ended 31 March 2019</b>					
<b>Revenue</b>					
External revenue	<u>33,053</u>	<u>6,889</u>	<u>568</u>	<u>-</u>	<u>40,510</u>
<b>Results</b>					
Segment results	2,619	1,111	(3,261)	(280)	189
Unallocated expenses					(185)
Finance cost					-
Tax expense					(283)
Profit for the period					<u>(279)</u>
<b>Net assets</b>					
Segment assets	102,761	20,363	182	(75,423)	47,883
Unallocated assets					75,112
Total assets					<u>122,995</u>
<b>Segment liabilities</b>					
Segment liabilities	3,213	83,791	-	(79,544)	7,460
Unallocated liabilities					4,324
Total liabilities					<u>11,784</u>
<b>Other information</b>					
Capital expenditure	259	-	3	-	262
Depreciation	<u>846</u>	<u>34</u>	<u>255</u>	<u>-</u>	<u>1,135</u>

## 10) Carrying Amount of Revalued Assets

### Property

A valuation of the Group's land and buildings by independent qualified valuers using the Comparison Method had been performed for the financial year ended 31 March 2016. The Group have revalued the said properties with a revaluation surplus of RM24 million recognised in other comprehensive income during financial year ended 31 March 2016.

## 11) Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and the financial year-to-date.

## 12) Contingent Liabilities / Assets

The Group does not have any contingent liabilities or assets as at the date of this announcement.

## 13) Capital Commitments

There were no capital commitments as at the date of this announcement.



# GPA HOLDINGS BERHAD

Notes to the Financial Information – Fourth Quarter ended 31 March 2019

*(The current year figures have not been audited)*

## ***B. Selected Explanatory Notes to the Interim Financial Report (Part A of Appendix 9B of Bursa Malaysia Listing Requirements)***

### ***1) Operating Segment Review***

#### **Automotive batteries segment**

Revenue from the automotive batteries segment decreased from RM11.18 million in previous year corresponding quarter to RM6.06 million in current quarter primarily due to the decrease of local sales volume of automotive batteries.

This segment recorded a profit before tax (“PBT”) of RM253,000 in the current quarter compared to PBT of RM715,000 in the previous year corresponding quarter. This was mainly due to lower revenue recorded in the period under review.

#### **Non-Automotive Batteries segment**

Revenue for this segment decreased from RM2.28 million in the previous year corresponding quarter to RM1.24 million in the current quarter primarily due to lower export and local sales.

This segment will continue to focus and expand on the coverage of sealed lead acid batteries as well as the motorcycle batteries.

This segment recorded a PBT of RM238,000 in current quarter compared to LBT of RM371,000 in previous year corresponding quarter. The LBT in previous corresponding quarter was due to provisions made on stocks and warranty claims.

#### **Personal Care Products segment**

This segment recorded revenue of RM38,000 with LBT of RM1.12 million in the current quarter under review. The losses are incurred on the closure of outlets in view of the low sales performance.

### ***2) Material Changes in Profit/(Loss) Before Tax for Current Quarter as Compared with the Immediate Preceding Quarter***

The current quarter recorded a LBT of RM791,000 compared to PBT of RM245,000 in the immediate preceding quarter.

The losses were mainly attributed by the Personal Care products segments on the closure of outlets where retrenchment cost, impairment of fixed asset and write down of inventories were incurred during the quarter.

3) **Current Year Prospects**

Business prospect for automotive segment remain challenging.

This segment is expected to remain in competitive situation with the influx of various foreign brands to the country. In the medium term, competition is expected to intensify with price on the value proposition of their products.

Moving forwards the group is striving towards maintaining existing channels and growing new channels for bigger market presence in this challenging economic environment with various initiatives to increase the brand awareness of our products are continuously being carried out to improve product visibility.

On the personal care products segment, it has ceased the trading and distribution business with effect from 1 March 2019, to mitigate the negative impact of the trading and distribution losses on the GPA group as a whole.

4) **Variance of Actual Profit from Forecast**

Not applicable.

5) **Statement on Revenue or Profit Estimate, Forecast, Projection or Internal Targets Previously Announced or Disclosed in a Public Document**

Not Applicable.

6) **Tax**

	<i>3 months ended 31/03/2019 RM'000</i>	<i>12 months ended 31/03/2019 RM'000</i>
In respect of current period:		
- income tax	277	552
- deferred tax	(40)	(40)
- (Over)/ Under provision of previous year	-	(229)
	237	283

The effective tax rate on the Group's profit before tax for the financial year-to-date ended 31<sup>st</sup> March 2019 is higher than the statutory tax rate of 24.0% due to the loss incurred by certain subsidiaries.

7) **Corporate Proposals**

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

8) **Bank Borrowings**

There were no borrowings as at the end of the current financial quarter.

## 9) Material Litigation

Since the preceding financial quarter ended 31 December 2018, there is no change in material litigation as at the date of this announcement except as disclosed below:

### High Court of Malaya, Kuala Lumpur (Suit No. 22NCVC-477-09/2015)

GP Autobat Sdn Bhd (“GPA”) was in September 2015 served with a Writ of Summons together with a Statement of Claims issued by the High Court of Malaya, Kuala Lumpur in relation to a claim filed by Battery Solutions Sdn Bhd (“BS”) amounting to RM1,213,989.93 (“the BS’s Claim”) for alleged breach of contract relating to the purchase of battery grid panels from BS.

The High Court had on 28 September 2016 delivered the judgment that GPA was liable to pay the BS’s Claim at an interest rate of 5% per annum together with cost for a sum of RM50,000 (“the High Court Judgment”).

GPA had on 14 October 2016 filed an appeal with the Court of Appeal against the High Court Judgment. The Court of Appeal had on 9 July 2018 allowed GPA’s appeal against the decision of the High Court, and awarded cost of RM80,000 to be paid by BS.

On 1 August 2018, GPA through its solicitors issued a Statutory Notice of Demand pursuant to section 466(1)(a) and/or (b) of the Companies Act 2016 demanding BS to pay the remaining judgment sum of RM649,068.87 and cost of RM80,000-00 as BS had only paid RM680,452.72 up to the date of issuance of the Statutory Notice of Demand.

BS had on 7 August 2018 through its solicitors filed an application for leave to appeal to the Federal Court against the Court of Appeal Judgment. The leave application will be heard on 22<sup>nd</sup> January 2019.

BS through its solicitors further filed and served an Originating Summons No.WA-24NCC-403-08/2018 dated 10 August 2018 to the Kuala Lumpur High Court applying for an injunction to restraint and stop GPA from proceeding with the winding up petition against BS until the full and final disposal of the case.

GPA through its solicitors, Messrs Singara Velan & Assoc has challenged the Motion dated 7 August 2018 and the Originating Summon dated 10 August 2018 filed by BS. On 31<sup>st</sup> October 2018, the parties, through mediation process, agreed to enter a consent order that the remaining judgment sum and the cost are to be deposited into a fixed deposit at Ambank Berhad under both parties’ solicitors names as joint stakeholders. pending the outcome of the leave to appeal to the Federal Court.

The Federal Court had on 22 January 2019 allowed BS’s application for a leave to appeal against the decision of the Court of Appeal Judgement dated 9 July 2018 favouring GPA.

GPA will announce any material development arising from the above proceedings at the appropriate time.

10) **Earnings per Share**

		<i>3 months ended</i>		<i>12 months ended</i>	
		<i>31/03/2019</i>	<i>31/03/2018</i>	<i>31/03/2019</i>	<i>31/03/2018</i>
<b>Basic earnings per share</b>					
Net profit attributable to ordinary equity holders of the parent company	(RM'000)	(1,181)	(290)	(591)	(1,281)
Total number of ordinary shares in issue	('000)	980,490	980,490	980,490	980,490
Basic earnings per share	(sen)	(0.12)	(0.03)	(0.06)	(0.13)

The basic earnings per share of the Group is calculated by dividing the profit attributable to ordinary equity holders of the Company against the total number of ordinary shares in issue during the period.

11) **Profit/(loss) Before Taxation**

Profit/ (loss) before taxation is arrived at after charging / (crediting):-

	<b>Current Quarter (RM'000)</b>	<b>YTD (RM'000)</b>
Interest income	(497)	(1,690)
Other income including investment income	(386)	(1,528)
Depreciation and amortization	290	1,135
Write-back of receivables	135	(170)
Foreign exchange loss/(gain)	47	(486)
Loss on disposal of Property, Plant and Equipment	379	720

12) **Realised and Unrealised Profits/(Losses) Disclosure**

The retained profits as at 31<sup>st</sup> March 2019 and 31<sup>st</sup> March 2018 are analysed as follows:-

	<i>31/03/19</i>	<i>31/03/18</i>
	<i>RM'000</i>	<i>RM'000</i>
Total retained earnings of the company and its subsidiaries:-		
- Realised	8,089	9,402
- Unrealised	(5,581)	(6,424)
Less: Consolidation adjustments	(21,633)	(21,636)
Total group retained earnings as per consolidated statements	<u>(19,125)</u>	<u>(18,658)</u>