

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Financial Period ended 31 December 2019

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER ENDED 31.12.2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.12.2018 RM'000	CURRENT YEAR YEAR TO DATE ENDED 31.12.2019 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE ENDED 31.12.2018 RM'000
Revenue	38,134	44,300	137,029	161,971
Cost of sales	(22,054)	(25,177)	(77,479)	(96,154)
Gross Profit	16,080	19,123	59,550	65,817
Other Income	1,360	1,948	4,657	6,224
Administrative expenses	(13,723)	(17,863)	(55,188)	(63,928)
Other operating expenses	-	(318)	(242)	(2,327)
Finance costs	(938)	(335)	(2,505)	(1,486)
Profit before tax	2,779	2,555	6,272	4,300
Tax expense <i>(Note B5)</i>	(752)	(2,284)	(1,720)	(4,192)
Profit for the period	2,027	271	4,552	108
Other comprehensive income / (loss) net of tax				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operations	(219)	400	(61)	(437)
Other comprehensive income / (loss) for the year	(219)	400	(61)	(437)
Total comprehensive income / (loss) for the year	1,808	671	4,491	(329)
Profit / (loss) attributable to:				
Owners of the Company	1,897	177	4,413	(9)
Non-controlling interests	130	94	139	117
Profit / (loss) for the period	2,027	271	4,552	108
Total comprehensive income / (loss) for the period				
Owners of the Company	1,678	577	4,352	(446)
Non-controlling interests	130	94	139	117
Profit / (loss) for the period	1,808	671	4,491	(329)
Basic earnings / (loss) per ordinary share (sen)	1.45	0.14	3.37	(0.01)

(The 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 2018)

Degem Berhad (Company No: 415726-T)
Condensed Consolidated Statement of Financial Position as at 31 December 2019

	<i>(Unaudited)</i> As at 31.12.2019 RM'000	<i>(Audited)</i> As at 31.12.2018 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,573	29,047
Investment properties	24,207	29,126
Right of use assets	18,435	-
Deferred tax assets	585	634
	<u>68,800</u>	<u>58,807</u>
Current assets		
Inventories	207,935	205,510
Trade and other receivables	12,006	14,039
Current tax assets	599	2,066
Other investments	-	5,396
Fixed deposits placed with licensed banks	34,400	1,450
Cash and cash equivalents	25,482	26,944
	<u>280,422</u>	<u>255,405</u>
TOTAL ASSETS	<u>349,222</u>	<u>314,212</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	77,435	77,435
Treasury shares	(3,202)	(3,202)
Other reserves	177,658	173,306
	<u>251,891</u>	<u>247,539</u>
Non-controlling interests	<u>1,469</u>	<u>1,330</u>
Total equity	<u>253,360</u>	<u>248,869</u>
LIABILITIES		
Non-current liabilities		
Lease liabilities	12,376	-
Loans and borrowings	42,667	36,619
Deferred tax liabilities	554	605
	<u>55,597</u>	<u>37,224</u>
Current liabilities		
Trade and other payables	24,881	22,287
Lease liabilities	6,172	-
Contract liability	1,793	1,631
Current tax liabilities	337	291
Loans and borrowings	7,082	3,910
	<u>40,265</u>	<u>28,119</u>
Total liabilities	<u>95,862</u>	<u>65,343</u>
TOTAL EQUITY AND LIABILITIES	<u>349,222</u>	<u>314,212</u>
Net assets per share (RM)	1.94	1.90

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018)

Degem Berhad (Company No: 415726-T)
Condensed Consolidated Statement of Changes in Equity for the
Financial Period ended 31 December 2019

	<----- Attributable to owners of the Company ----->							
	Share capital RM'000	Other reserve RM'000	Exchange reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non- Controlling interests RM'000	Total equity RM'000
At 1 January 2019	77,435	2,500	1,274	(3,202)	169,532	247,539	1,330	248,869
Foreign currency translation differences	-	-	(61)	-	-	(61)	-	(61)
Profit for the period	-	-	-	-	4,413	4,413	139	4,552
Total comprehensive income for the period	-	-	(61)	-	4,413	4,352	139	4,491
At 31 December 2019	77,435	2,500	1,213	(3,202)	173,945	251,891	1,469	253,360
At 1 January 2018	77,435	2,500	1,711	(3,202)	170,849	249,293	1,213	250,506
Foreign currency translation differences	-	-	(437)	-	-	(437)	-	(437)
Profit for the period	-	-	-	-	(9)	(9)	117	108
Total comprehensive income for the period	-	-	(437)	-	(9)	(446)	117	(329)
Transactions with owners								
Dividends to owners of the company	-	-	-	-	(1,308)	(1,308)	-	(1,308)
At 31 December 2018	77,435	2,500	1,274	(3,202)	169,532	247,539	1,330	248,869

(The 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)

Degem Berhad (Company No: 415726-T)
Condensed Consolidated Statement of Cash Flows for the
Financial Period ended 31 December 2019

	31.12.2019	31.12.2018
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,272	4,300
Adjustments for:		
Depreciation	9,383	3,448
Finance costs	2,505	1,486
Inventories written down	664	875
Property, plant and equipment written off	204	241
Loss /(gain) on disposal of property, plant and equipment	45	(334)
Gain on disposal of investment property	(1,725)	-
Interest income	(456)	(197)
Reversal of impairment on trade receivables	-	(24)
Unrealised foreign exchange (gain) / loss	(425)	176
Operating profit before working capital changes	<u>16,467</u>	<u>9,971</u>
Inventories	(3,090)	8,911
Receivables	2,029	21,694
Payables	<u>3,179</u>	<u>(30,268)</u>
Cash generated from operations	<u>18,585</u>	<u>10,308</u>
Income tax paid	(2,109)	(3,604)
Income tax refunded	1,999	114
Interest received	456	197
Interest paid	<u>(62)</u>	<u>(132)</u>
Net cash generated from operating activities	<u>18,869</u>	<u>6,883</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,335)	(1,909)
Proceeds from disposal of property, plant and equipment	258	781
Proceeds from disposal of investment property	6,366	-
Withdrawal of fixed deposits	5,396	(641)
Withdrawal /(Placement) of other investments	<u>1,083</u>	<u>(2,895)</u>
Net cash from /(used in) investing activities	<u>11,768</u>	<u>(4,664)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	-	(1,308)
Net drawdown /(repayment) from borrowings	7,957	(1,494)
Net repayment of lease liabilities	(6,148)	-
Interest paid	<u>(2,443)</u>	<u>(1,354)</u>
Net cash from used in financing activities	<u>(634)</u>	<u>(4,156)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	30,003	(1,937)
Effects of foreign exchange rate changes	(185)	(394)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>26,534</u>	<u>28,865</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	<u>56,352</u>	<u>26,534</u>
Represented by:		
Fixed deposits with licensed banks	34,400	1,450
Cash and bank	<u>25,482</u>	<u>26,944</u>
	59,882	28,394
Less: Fixed deposits pledged with licensed banks	(130)	(1,212)
Less: Bank overdrafts	<u>(3,400)</u>	<u>(648)</u>
	<u>56,352</u>	<u>26,534</u>

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

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting and Bursa Listing Requirements

A1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have 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 condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial 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 the Group since the financial year ended 31 December 2018.

The accounting policies applied by the Group in these interim financial statements are consistent with those applied by the Group in its annual audited financial statements for the year ended 31 December 2018 except for the adoption of standards, amendments / improvements and IC Interpretation in the current financial period.

A2. Changes in Accounting Policies

Adoption of new MFRS, amendments / improvements to MFRS and new IC Interpretation (“IC Int”)

In the current financial year ended 31 December 2019, the Group adopted the following standards, amendments / improvements and IC interpretations that are applicable to its financial statement effective for annual periods beginning on or after 1 January 2019:

New MFRS

MFRS 16 Leases

Amendments / Improvements to MFRSs

MFRS 3 Business Combinations

MFRS 9 Financial Instruments

MFRS 11 Joint Arrangements

MFRS 112 Income Taxes

MFRS 119 Employee Benefits

MFRS 123 Borrowing Costs

MFRS 128 Investments in Associates and Joint Ventures

New IC Int

IC Int 23 Uncertainty over Income Tax Treatments

The adoption of the above new MFRSs, amendments / improvements to MFRSs and new IC Int did not have any significant effect on the financial statements of the Group and did not result in any significant changes to the Group’s existing policies.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

A2. Changes in Accounting Policies (Cont'd)

The Group have not adopted the following new MFRSs, amendments / improvements to MFRSs and amendments to IC Int that have been issued, but not yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 17	Insurance Contracts	1 January 2021
<u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2021 [#]
MFRS 3	Business Combinations	1 January 2020/ 1 January 2021 [#]
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2021 [#]
MFRS 7	Financial Instruments: Disclosures	1 January 2020/ 1 January 2021 [#]
MFRS 9	Financial Instruments	1 January 2020/ 1 January 2021 [#]
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2021 [#]
MFRS 101	Presentation of Financial Statements	1 January 2020/ 1 January 2021 [#]
MFRS 107	Statements of Cash Flows	1 January 2021 [#]
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020
MFRS 116	Property, Plant and Equipment	1 January 2021 [#]
MFRS 119	Employee Benefits	1 January 2021 [#]
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2021 [#]
MFRS 132	Financial Instruments: Presentation	1 January 2021 [#]
MFRS 136	Impairment of Assets	1 January 2021 [#]
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020/ 1 January 2021 [#]
MFRS 138	Intangible Assets	1 January 2020/ 1 January 2021 [#]
MFRS 139	Financial Instruments: Recognition and Measurement	1 January 2020
MFRS 140	Investment Property	1 January 2021 [#]

[#] Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

A3. Audit Qualification

There was no audit qualification in the Group's annual financial statements for the year ended 31 December 2018.

A4 Seasonal or cyclical factors

Festive seasons do have an effect on the operations of the Group.

A5. Unusual Items Affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the financial period.

A6. Changes in Estimates

There were no material changes in the estimates used for the preparation of this interim financial report as compared to the financial statements of the Group for the financial year ended 31 December 2018.

A7. Issuance, Cancellation or Repayments of Debt and Equity Securities

There were no issuances, repurchases, resale or repayment of debts and equity securities for the current financial period.

During the current quarter, there was no share repurchased. As at 31 December 2019, a total of 3,167,900 shares repurchased were held at a cost of RM3,201,991. The shares repurchased are being held as treasury shares in accordance with Section 127 of Companies Act 2016. None of the treasury shares held were resold or cancelled during the quarter under review and up to the date of this report.

A8. Dividend Paid

There was no dividend paid in respect of the current quarter ended 31 December 2019.

A9. Segmental Information

Segmental Information in respect of the Group's business segment is as follows:

Segments	Products and services
Retail, design and distribution	Suppliers and retailers of jewellery, diamonds, precious gemstones and gold bullion
Manufacturing	Manufacturer and trading in gold and jewellery
Investment holding & property Investment	Investments in subsidiaries and properties

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

A9. Operating Segment Information (Cont'd)

	Retail, design & distribution RM'000	Manufacturing RM'000	Investment holding & property investment RM'000	Eliminations RM'000	Consolidated RM'000
12 months period ended 31 December 2019					
Revenue					
External revenue	129,490	7,539	-	-	137,029
Inter-segment revenue	24,166	27,272	3,898	(55,336)	-
Total revenue	153,656	34,811	3,898	(55,336)	137,029
Segment results					
Profit after tax	3,141	2,314	(903)	-	4,552
Profit attributable to:					
- Owners of the Company					4,413
- Non-controlling interests					139
Profit for the period					4,552

	Retail, design & distribution RM'000	Manufacturing RM'000	Investment holding & property investment RM'000	Eliminations RM'000	Consolidated RM'000
12 months period ended 31 December 2018					
Revenue					
External revenue	154,593	7,378	-	-	161,971
Inter-segment revenue	57,298	35,017	4,013	(96,328)	-
Total revenue	211,891	42,395	4,013	(96,328)	161,971
Segment results					
Profit after tax	1,287	1,006	(2,570)	385	108
Profit attributable to:					
- Owners of the Company					(9)
- Non-controlling interests					117
Profit for the period					108

A10. Revenue

Revenue is recognised at point in time.

A11. Valuations of property, plant and equipment

The values of property, plant and equipment have been brought forward without amendments from the audited financial statements for the year ended 31 December 2018.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

A12. Material Events Subsequent to the Financial Period

There were no material events subsequent to the end of the period under review.

A13. Changes in the Composition of the Group

There were no changes in the composition of the Group for the quarter under review.

A14. Contingent Liabilities

There were no contingent liabilities as at the date of this report.

A15. Capital commitments

The Group did not have any capital commitments which were contracted but not provided for as at 31 December 2019.

A16. Significant Related Party Transactions

There were no significant related party transactions during the current quarter under review.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

B. Additional Information Required by the Bursa Malaysia Securities Berhad Listing

B1. Review of Performance

	Current Year Quarter Ended 31.12.2019 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2018 RM'000	Current Year To Date Ended 31.12.2019 RM'000	Preceding Year Corresponding Year To Date Ended 31.12.2018 RM'000
Revenue	38,134	44,300	137,029	161,971
Profit before tax	2,779	2,555	6,272	4,300
Profit after tax	2,027	271	4,552	108

Quarter results

In 4Q 2019, the Group recorded revenue of RM38.13 million as compared to RM44.30 million in 4Q 2018. The lower sales volume is mainly attributable to weak consumer demand and the closure of certain retail outlets as part of our rationalisation process.

The Group registered profit after tax (“PAT”) of RM2.03 million compared with PAT of RM0.27 million in previous year’s corresponding quarter, due mainly to lower sales contribution from retail outlets.

Performance for the respective operating business segments for the current quarter as compared to prior year’s corresponding quarter is as follows:-

(1) Retail, design & distribution segment

Revenue for the segment decreased to RM34.68 million in the current quarter under review from RM41.68 million recorded in 4Q 2018. The segment recorded higher PAT of RM3.35 million in 4Q 2019 as compared to RM3.04 million in 4Q 2018. Higher PAT was attributed to cost rationalisation exercise.

(2) Manufacturing segment

Revenue for the segment increased to RM3.64 million in the current quarter from RM2.78 million in 4Q 2018. PAT increased to RM1.35 million as compared to RM0.42 million recorded in the previous year’s corresponding quarter due to higher turnover.

(3) Investment holding and property management segment

Revenue in the current quarter was consistent with 4Q 2018. The segment recorded loss after tax (“LAT”) of RM0.95 million from LAT of RM3.58 million in 4Q 2018. Higher LAT in previous years’ corresponding quarter was due to impairment on investment in subsidiaries recognised in 4Q 2018.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

B. Additional Information Required by the Bursa Malaysia Securities Berhad Listing

B1. Review of Performance (Cont'd)

Financial year results

For the current financial year (“FY2019”), the group recorded PAT of RM4.55 million, which was RM4.44 million higher than PAT of RM0.11 million recorded in the previous year. Revenue decreased by 15.4% to RM137.03 million in current financial year from RM161.97 million a year ago, there is a gain on disposal of an investment property registered in the 2Q 2019 of RM1.72 million.

(1) Retail, design & distribution segment

Revenue was lower by RM25.10 million or 16.2% from RM154.59 million in FY2018 to RM129.49 million in FY2019. Despite lower revenue, the segment recorded higher PAT of RM3.14 million as compared to RM1.29 million in FY2018 due to lower operating costs from closure of outlet.

(2) Manufacturing segment

The segment registered RM7.54 million revenue for FY2019, representing a marginal increase of 2.2% from RM7.38 million in FY2018. The segment registered higher PAT of RM2.31 million in FY2019 as compared to RM1.01 million in FY2018 from improved gross profit margin and cost rationalisation activities.

(3) Investment holding and property management segment

The segment registered LAT of RM0.90 million in FY2019 as compared to LAT of RM2.57 million in FY2018. Included in FY2018 results was the impairment on investment in subsidiaries recognised in 4Q 2018.

B2. Material Changes in Current Quarter Results compared to Immediate Preceding Quarter

	Current Year Quarter Ended 31.12.2019 RM'000	Preceding Quarter Ended 30.9.2019 RM'000
Revenue	38,134	30,534
Profit / (loss) before tax	2,779	(981)
Profit / (loss) after tax	2,027	(856)

For the current quarter under review, the Group recorded revenue and PAT of RM38.13 million and RM2.03 million respectively as compared to revenue of RM30.53 million and LAT of RM0.86 million in 3Q 2019. The improvement in profitability was mainly due to higher sales contribution from retail outlets from aggressive promotions and marketing activities.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

B3. Prospects for Financial Year 2020

The Group expects the outlook for 2020 to remain challenging due to weak consumer demand. The Group will continue to reinforce its on-going marketing efforts.

B4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee.

B5. Taxation

	Current Year Quarter Ended 31.12.2019 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2018 RM'000	Current Year To Date Ended 31.12.2019 RM'000	Preceding Year Corresponding Year To Date Ended 31.12.2018 RM'000
Income Tax				
- Current year	829	2,093	2,427	3,364
- Prior year	(41)	(64)	(706)	(235)
Deferred Tax				
- Current year	(187)	138	(187)	138
- Prior year	151	117	186	925
	752	2,284	1,720	4,192

B6. Status of Corporate Proposals

On 25 September 2019, the Company announced that the Board of the Directors of the Company (“Board”) had on even date received a letter from Legion Master Sdn Bhd, a major shareholder of the Company, informing the Board of its intention to privatise the Company by way of a selective capital reduction and repayment exercise pursuant to Section 116 of the Companies Act 2016 (“Proposed SCR”) and requesting the Company to undertake the Proposed SCR for this purpose (“SCR Offer Letter”).

The Proposed SCR entails a selective capital reduction and a corresponding capital repayment of proposed cash amount of RM1.10 per ordinary share in the Company held by the entitled shareholders of the Company, whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined and announced later by the Board.

On 11 October 2019, TA Securities Holdings Berhad, on behalf of the Board, announced that the non-interested directors had at a meeting held on the same date, deliberated on the contents of the SCR Offer Letter and had resolved to table the Proposed SCR to the entitled shareholders for their consideration and approval.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

B6. Status of Corporate Proposals (cont'd)

On 9 December 2019, the special resolution in respect of the Proposed SCR was duly passed by the disinterested shareholders of the Company at the extraordinary general meeting.

On 31 December 2019, the Company had filed the petition to the High Court of Malaya at Kuala Lumpur (“High Court”) to obtain an order by the High Court confirming the reduction of share capital of the Company pursuant to Section 116 of the Companies Act 2016 to give effect to the Proposed SCR.

Save for the Proposed SCR, there is no outstanding corporate proposal as at the date of this report.

B7. Borrowings and Debt Securities

The Group’s borrowings as at 31 December 2019 were as follows:-
(Denominated in Ringgit Malaysia)

	Secured RM'000	Total RM'000
<i>Current</i>		
Term Loans	3,683	3,683
Bank overdraft	3,399	3,399
	<hr/>	<hr/>
	7,082	7,082
<i>Non-current</i>		
Term Loans	42,667	42,667
	<hr/>	<hr/>
Total	42,667	42,667

B8. Material Litigation

There was no material litigation as at the reporting date.

B9. Dividend

The Board do not recommend any dividend during the current quarter.

B10. Qualification of Audit Report of the Preceding Annual Financial Statements

There was no qualification on audit report of the preceding annual financial statements.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

B11. Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Current Year Quarter Ended 31.12.2019	Preceding Year Corresponding Quarter Ended 31.12.2018	Current Year To Date Ended 31.12.2019	Preceding Year Corresponding Year To Date Ended 31.12.2018
Profit / (Loss) attributable to the owners (RM'000)	1,897	177	4,413	(9)
Weighted average number of ordinary shares in issue ('000)	130,832	130,832	130,832	130,832
Basic earnings / (loss) per share (sen)	<u>1.45</u>	<u>0.14</u>	<u>3.37</u>	<u>(0.01)</u>

Diluted earnings per share is not applicable for the Group.

Degem Berhad (Company No: 415726-T)
Notes to the Interim Financial Report for the Period ended 31 December 2019

B12. Notes to Condensed Consolidated Income Statements of Profit or Loss

	Current Year Quarter Ended 31.12.2019 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2018 RM'000	Current Year To Date Ended 31.12.2019 RM'000	Preceding Year Corresponding Year To Date Ended 31.12.2018 RM'000
Profit / (Loss) before tax is arrived at after charging :				
Finance cost	938	334	2,505	1,486
Depreciation	1,882	1,005	9,383	3,448
Inventories written down	533	527	664	875
Property, plant and equipment written off	-	3	204	241
After crediting:-				
Interest income	200	56	456	197
(Loss) / gain on disposal of property, plant and equipment	-	-	(45)	334
Gain on disposal of investment Property	-	-	1,725	-
Unrealised foreign exchange (loss) / gain	362	(315)	425	(176)

BY ORDER OF THE BOARD

ANDREA HUONG JIA MEI
Company Secretary
MIA 36347

Date: 27 February 2020