

**SMIS Corporation Berhad**  
Registration No. 199901016957 (491857-V)  
(Incorporated in Malaysia)

Interim Financial Report  
31 December 2019

**Interim Financial Report**  
**SMIS Corporation Berhad**  
Registration No. 199901016957 (491857-V)  
(Incorporated in Malaysia)  
**and its subsidiaries**

**Unaudited Condensed Consolidated Statements of Financial Position**

	Note	As at 31 December 2019 RM'000	As at 31 December 2018 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		34,916	37,828
Right-of-use assets		13,930	12,495
Investment properties		857	4,173
Prepaid Lease Payments		1,606	-
Deferred assets		205	-
Deferred tax assets		183	61
<b>Total non-current assets</b>		<b>51,697</b>	<b>54,557</b>
<b>Current assets</b>			
Inventories		18,849	16,563
Trade and other receivables		27,849	29,092
Tax recoverable		348	5,215
Cash and cash equivalents		13,978	14,408
<b>Total current assets</b>		<b>61,024</b>	<b>65,278</b>
<b>TOTAL ASSETS</b>		<b>112,721</b>	<b>119,835</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		49,691	49,691
Reserves		12,946	11,880
Less: 2,637,000 treasury shares, at cost		(1,192)	(1,192)
Total equity attributable to the shareholders of the Company		61,445	60,379
Non-controlling interest		14,293	14,671
<b>Total equity</b>		<b>75,738</b>	<b>75,050</b>
<b>Non-current liabilities</b>			
Loans and borrowings	B8	4,531	6,470
Lease liabilities		911	-
Deferred tax liabilities		155	183
<b>Total non-current liabilities</b>		<b>5,597</b>	<b>6,653</b>
<b>Current liabilities</b>			
Trade and other payables		20,851	23,378
Loans and borrowings	B8	9,890	14,538
Lease liabilities		528	-
Tax payable		117	216
<b>Total current liabilities</b>		<b>31,386</b>	<b>38,132</b>
<b>Total liabilities</b>		<b>36,983</b>	<b>44,785</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>112,721</b>	<b>119,835</b>
Net assets per share (RM)		1.37	1.35

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

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**Unaudited Condensed Consolidated Statements of Comprehensive Income for the Financial Year Ended 31 December 2019**

	Note	3 months period ended 31 December		12 months period ended 31 December	
		2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
<b>Continuing operations</b>					
<b>Revenue</b>		33,768	33,349	125,738	127,928
Cost of sale		(29,888)	(29,809)	(114,103)	(111,407)
<b>Gross profit</b>		3,880	3,540	11,635	16,521
Operating expenses		(4,442)	(6,153)	(17,736)	(19,489)
Other operating income		1,188	1,453	8,735	2,035
<b>Operating profit</b>		626	(1,160)	2,634	(933)
Finance costs		(346)	(446)	(1,243)	(1,416)
Interest income		6	7	35	78
(Loss)/profit before taxation		286	(1,599)	1,426	(2,271)
Tax expenses	<b>B5</b>	(624)	(1,204)	(361)	(1,313)
Profit/(loss) after taxation from continuing operations, net of tax		(338)	(2,803)	1,065	(3,584)
Loss from discontinued operation, net of tax		-	(58)	-	(385)
<b>Profit/(loss) for the period</b>		(338)	(2,861)	1,065	(3,969)
<b>Other comprehensive income/(expense), net of tax</b>					
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		(47)	614	156	(155)
<b>Other comprehensive income/(expense) for the period, net of tax</b>		(47)	614	156	(155)
<b>Total comprehensive income/(expense) for the period</b>		(385)	(2,247)	1,221	(4,124)
<b>Profit/(loss) attributable to:</b>					
Owners of the Company					
- From continuing operations		(1,055)	(2,610)	911	(4,654)
- From discontinued operation		-	(56)	-	(372)
		(1,055)	(2,666)	911	(5,026)
Non-controlling interests		717	(195)	154	1,057
<b>Profit/(loss) for the period</b>		(338)	(2,861)	1,065	(3,969)
<b>Total comprehensive income/(expense) attributable to:</b>					
Owners of the Company					
- From continuing operations		(1,099)	(1,997)	1,068	(4,810)
- From discontinued operation		-	(56)	-	(372)
		(1,099)	(2,053)	1,068	(5,182)
Non-controlling interests		714	(194)	153	1,058
<b>Total comprehensive income/(expense) for the period</b>		(385)	(2,247)	1,221	(4,124)
Basic earnings per ordinary share (sen)					
- From continuing operations		(2.50)	(6.19)	2.16	(11.04)
- From discontinued operation		-	(0.13)	-	(0.88)
	<b>B11</b>	(2.50)	(6.32)	2.16	(11.92)

The Unaudited Condensed Consolidated Statements 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 and the accompanying explanatory notes to the interim financial reports.

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**Unaudited Condensed Consolidated Statements of Changes in Equity for the Financial Year Ended 31 December 2019**

	← Attributable to owners of the Company →						Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Non-distributable	Distributable	Total RM'000	Non-controlling interests RM'000	
Foreign currency translation reserve RM'000			Retained profits RM'000				
<b>At 1 January 2019</b>	49,691	(1,192)	(563)	12,441	60,377	14,671	75,048
Other comprehensive income for the financial year	-	-	157	-	157	(1)	156
Total comprehensive income for the financial year	-	-	157	-	157	(1)	156
Profit net of tax for the financial year	-	-	-	911	911	154	1,065
<b>Total comprehensive income for the financial year</b>	-	-	157	911	1,068	153	1,221
Contributions by and distribution to non-controlling interest of a subsidiary company							
- Dividend paid on shares	-	-	-	-	-	(531)	(531)
<b>Total transaction with owners of the Company</b>	-	-	-	-	-	(531)	(531)
<b>At 31 December 2019</b>	<b>49,691</b>	<b>(1,192)</b>	<b>(406)</b>	<b>13,352</b>	<b>61,445</b>	<b>14,293</b>	<b>75,738</b>
<b>At 1 January 2018</b>	49,691	(1,192)	(406)	17,468	65,561	11,209	76,770
Other comprehensive loss for the financial year	-	-	(156)	-	(156)	1	(155)
Loss from discontinued operation, net of tax				(372)	(372)	(13)	(385)
Loss net of tax for the period from continuing operations	-	-	-	(4,654)	(4,654)	1,070	(3,584)
<b>Total other comprehensive (expense)/income for the financial year</b>	-	-	(156)	(5,026)	(5,182)	1,058	(4,124)
Contributions by and distribution to owners of the Company							
- Subscription of additional shares in a subsidiary	-	-	-	-	-	2,404	2,404
<b>Total transaction with owners of the Company</b>	-	-	-	-	-	2,404	2,404
<b>At 31 December 2018</b>	<b>49,691</b>	<b>(1,192)</b>	<b>(562)</b>	<b>12,442</b>	<b>60,379</b>	<b>14,671</b>	<b>75,050</b>

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes to the interim financial reports.

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**Unaudited Condensed Consolidated Statement of Cash Flows for the Financial Year Ended 31 December 2019**

	<b>12 months period ended 31 December</b>	
	<b>2019</b>	<b>2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit/(loss) before tax	1,426	(2,656)
<b>Adjustment for non-cash items:-</b>		
Non-cash item arising from property, plant and equipment and investment properties	(85)	7,699
Depreciation of right-of-use assets	953	-
Bad debts written off	12	9
Inventories written down	273	49
Reversal of inventories written down	(787)	(356)
Net impairment loss on trade receivables	(10)	142
Net impairment loss on other receivables	20	-
Interest income	(35)	(78)
Interest expense on borrowings	1,104	1,416
Interest expense on lease obligations	139	-
Unrealised gain on foreign exchange	(536)	(611)
<b>Operating profit before working capital changes</b>	<b>2,474</b>	<b>5,614</b>
<b>Changes in working capital:-</b>		
Inventories	(1,773)	(103)
Receivables	1,696	4,601
Payables	(2,465)	264
Right-of-use assets	(2,007)	-
Lease liabilities	2,145	-
<b>Cash (used in)/generated from operations</b>	<b>70</b>	<b>10,376</b>
Interest paid	(46)	(124)
Interest paid on lease obligation	(139)	-
Net tax refund/(paid)	4,257	(740)
<b>Net cash generated from operating activities</b>	<b>4,142</b>	<b>9,512</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property, plant and equipment	(7,352)	(3,713)
Acquisition of investment properties	-	(350)
Interest received	35	35
Income received from short term investments	-	43
Proceeds from disposal of investment properties	9,884	-
Proceeds from disposal of property, plant and equipment	515	302
Proceeds from disposal of short term investments	-	4,320
<b>Net cash generated from investing activities</b>	<b>3,082</b>	<b>637</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from additional equity interests to non-controlling interests	-	2,404
Net repayment of loans and borrowings	(7,118)	(5,049)
Interest paid	(1,057)	(1,292)
Repayment of lease liabilities	(740)	-
Dividend paid from a subsidiary company to non-controlling interest	(531)	-
<b>Net cash used in financing activities</b>	<b>(9,446)</b>	<b>(3,937)</b>
<b>Effect of exchange rate changes</b>	<b>1,261</b>	<b>492</b>
<b>Net increase in cash and cash equivalents</b>	<b>(961)</b>	<b>6,704</b>
<b>Cash and cash equivalents at 1 January</b>	<b>14,408</b>	<b>7,704</b>
<b>Cash and cash equivalents at 31 December</b>	<b>13,447</b>	<b>14,408</b>
	@	
<b>@ Cash and cash equivalents comprise of the following:-</b>		
Deposits placed with licensed banks	15	15
Cash and bank balances	13,963	14,393
Bank overdrafts	(531)	-
	<b>13,447</b>	<b>14,408</b>

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

**A Notes to the Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2019**

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**A1 Basis of preparation**

This interim financial report is based on the unaudited financial statements for the quarter ended 31 December 2019 and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting in Malaysia. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2018.

**A2 Changes in Accounting Policies**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited consolidated financial statements for the financial year ended 31 December 2018 except for the adoption of following MFRS, that are effective for financial periods beginning on or after 1 January 2019:

***MFRS 16 Leases***

MFRS 16 replaces the guidance in MFRS 117 "Leases", IC Interpretation 4 "Determining whether an Arrangement contains a Lease", IC Interpretation 115 "Operating Leases - Incentives" and IC Interpretation 127 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease".

MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position except for short-term and low value asset leases.

On initial adoption of MFRS 16, there may be impact on the accounting treatment for leases, which the Group as a lessee currently accounts for as operating leases. On adoption of this standard, the Group will be required to capitalise its rented premises and equipment on the statements of financial position by recognising them as “rights-of-use” assets and their corresponding lease liabilities for the present value of future lease payments. Rights-of-use assets are measured at cost less accumulated depreciation and impairment losses. The corresponding finance costs and depreciation are recognised in profit or loss over the lease period.

The Group applied the standard according to the transitional provisions and have elected the practical expedient not to reassess whether a contract contains a lease at the date of initial application. Accordingly, existing lease contracts that are still effective on 1 January 2019 will be accounted for as lease contracts under MFRS 16.

The financial impact of the adoption of MFRS 16 on the financial statements of the Group are disclosed in Note A15.

**A3 Auditors’ report on preceding annual financial statements**

The auditors’ report on the financial statements for the year ended 31 December 2018 was not subject to any qualifications.

**A4 Seasonal or cyclical factors**

The Malaysian Automotive Association (“MAA”), reported that passenger vehicles recorded 146,059 new registrations for the quarter ended 31 December 2019, which represents a 13.97% increase as compared to 128,158 units for the corresponding period in the previous year.

**A5 Unusual nature and amount of items affecting assets, liabilities, equity, net income and cash flows**

There were no unusual nature and amount of items, which affected the assets, liabilities, equity, net income and cash flows of the Group during the quarter under review.

**A6 Material changes in estimates of amounts reported in prior periods in current financial year or prior financial years which have material effect in the current interim period**

There were no material changes in estimates during the quarter under review.

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**A Notes to the Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2019**

**A7 Dividend**

There were no dividends paid during the quarter under review.

**A8 Debts and equity securities**

During the quarter under review, the Company did not purchase any ordinary shares from the open market. Aside from the above, there were no new debts and equity securities issued during the quarter.

**A9 Segmental reporting**

Segmental analysis of the results and assets employed for the 12 months year ended 31 December 2019:

<b>Business segments</b>	<b>Automotive Parts RM'000</b>	<b>Machinery Parts RM'000</b>	<b>Others RM'000</b>	<b>Consolidated RM'000</b>
Revenue from external customers	116,755	8,983	-	125,738
Segment results	(6,258)	5,170	3,722	2,634
Interest income				35
Financing costs				(1,243)
Profit before taxation				1,426
Tax expenses				(361)
Profit after taxation				1,065
Translation reserve				156
Total comprehensive income for the period				1,221
Segment assets	76,878	15,341	18,831	111,050
Unallocated corporate assets	860	143	668	1,671
<b>Total assets</b>				<b>112,721</b>
Segment liabilities	25,147	727	10,837	36,711
Unallocated corporate liabilities	272	-	-	272
<b>Total liabilities</b>				<b>36,983</b>
Capital expenditure	6,902	450	-	7,352
Depreciation and amortisation	6,685	274	789	7,748

**A10 Statement on the effect on interim results concerning valuation of property, plant and equipment brought forward without amendment from the previous annual financial statements**

There were no valuations of property, plant and equipment performed or brought forward from the previous financial year.

**A11 Material events**

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen since 31 December 2019 to the date of this announcement.

**A12 Changes in the composition of the Group**

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

**A13 Contingent assets and contingent liabilities**

There were no contingent assets and contingent liabilities for the current quarter.

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**A Notes to the Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2019**

**A14 Capital commitments**

The capital commitments of the Group for the quarter under review are as follows:

	<b>As at 31.12.2019 RM'000</b>	<b>As at 31.12.2018 RM'000</b>
Plant and equipment contracted but not provided for in the financial statements	8,065	548

**A15 Effect on adoption of MFRS 16**

The adoption of MFRS 16 have resulted in changes in the Group's accounting policies. The effect arising from these changes on the statement of financial position of the Group are as follow:

	<b>Group Increase/ (Decrease) RM'000</b>
<b>ASSETS</b>	
<b>Non-current assets</b>	
Right-of-use assets	13,930
Land use rights	(12,424)
<b>Current assets</b>	
Prepayment	(258)
<b>TOTAL ASSETS</b>	<b>1,248</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Retained earnings: total equity attributable to the shareholders of the Group	(174)
Non-controlling interests	(24)
Foreign exchange reserves	(2)
	(200)
<b>Non-current liabilities</b>	
Lease liabilities	911
Deferred tax liabilities	9
<b>Current liabilities</b>	
Lease liabilities	528
<b>TOTAL LIABILITIES</b>	<b>1,448</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,248</b>



**B Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements**

**B1 Review of performance**

	Individual Period				Cumulative Period			
	Current Year Quarter 31.12.2019 RM'000	Preceding Year Corresponding Quarter 31.12.2018 RM'000	Changes		Preceding Corresponding Year 31.12.2019 31.12.2018 RM'000		Changes	
			RM'000	%			RM'000	%
Revenue	33,768	33,349	419	1.3	125,738	127,928	(2,190)	(1.7)
Gross profit	3,880	3,540	340	9.6	11,635	16,521	(4,886)	(29.6)
Profit/(loss) before interest and tax	626	(1,160)	1,786	(154.0)	2,634	(933)	3,567	(382.3)
Profit/(loss) before tax	286	(1,599)	1,885	(117.9)	* 1,426	(2,271)	3,697	(162.8)
Profit/(loss) after taxation from continuing operations	(338)	(2,803)	2,465	(87.9)	1,065	(3,584)	4,649	129.7
Profit/(loss) after taxation from discontinued operation	-	(58)	58	100.0	-	(385)	385	100.0
Profit/(loss) attributable to the owners of the company	(1,055)	(2,666)	1,611	(60.4)	911	(5,026)	5,937	118.1

The Group reported revenue of RM33.77m and profit before tax ("PBT") of RM0.28m for the current quarter as compared to revenue of RM33.35m and loss before tax ("LBT") of RM1.60m respectively achieved in the previous year corresponding quarter.

\* PBT under current cumulative financial year ended 31 December 2019 included gain on disposal of investment properties; property, plant and equipment amounted to RM6.88m.

**The review of the Group's performance, analysed by its key operating segments were as follows:-**

**Automotive parts**

Revenue from the carpet segment from Malaysia was increased by RM1.42m to RM19.52m which was mainly contributed by increased demand from new vehicle model launches by major customers: Proton, Toyota, Mazda, and Perodua. The segment's PBT doubled to RM1.24m as compared to previous year corresponding quarter due to these demand-pulled sales.

In Indonesia, revenue increased marginally from RM0.39m to RM1.24m as compared to previous year corresponding quarter was mainly due to increased sales for Daihatsu and Toyota. The foreign operation are actively seeking to strengthen internal cost controls and strict control on material cost for continuous improvement and development.

Revenue from braking component segment increased marginally by RM0.15m to RM10.72m due to higher margin due to improved control in material and other overhead costs. The segment has recovered from previous year loss and recorded marginal profit of RM0.50m from these cost control initiatives.

**Machinery parts**

Revenue for the current quarter decreased by RM2.31m to RM1.43m due to further tensions and drop production in the palm oil, oleochemicals and waste water sector. As a result, the PBT has also decreased by RM1.53m to RM0.26m in current quarter.

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**B Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements**

**B2 Variation of results against preceding quarter**

	Current	Immediate	Changes	
	Quarter	Preceding	RM'000	%
	31.12.2019	30.09.2019		
	RM'000	RM'000		
Revenue	33,768	31,334	2,434	7.8
Gross profit	3,880	3,020	860	28.5
Profit before interest and tax	626	164	462	281.7
Profit/(loss) before tax	286	(152)	438	288.2
Profit after taxation	(338)	115	(453)	(393.9)
(Loss)/Profit attributable to the owners of the company	(1,055)	7	(1,062)	(15,171.4)

The Group’s revenue for the reporting period recorded RM2.43m increase in comparison to the immediate preceding quarter.

**Automotive parts**

Revenue from the carpet segment from Malaysia was increased by RM0.97m to RM19.52m as compared to preceding quarter mainly due to major increase in sales to Honda of RM1.17m. The current quarter recorded a sharp increase of more than 400% of PBT to RM1.24m due to higher revenue.

For Indonesia, there was marginal improvement in revenue from RM0.29m to RM1.24m. In contrast with immediate preceding quarter, such increase was mainly due to increase of demand from customers.

Revenue from braking components experienced a boost by RM1.09m to RM10.72m was mainly due to higher margin and increase in demand from Proton in line with its new launch of vehicle models near year end.

**Machinery parts**

Machinery parts segment recorded a drop in revenue by RM1.01m to RM1.43m which was mainly attributed to slow down in orders from the palm oil industry in Indonesia and weak global demand. As such, the current quarter of the segment turned into loss by RM0.46m to RM0.26m.

**B3 Prospects for 2020**

**Automotive parts**

MAA industry forecast for 2020 are as follows:

Market segment	2020	2019	Variance	
	Forecast	Actual	Units	%
Passenger vehicles	552,000	550,179	1,821	0.3
Commercial vehicles	55,000	54,108	892	1.6
Total vehicles	607,000	604,287	2,713	0.4

Based on the above, the local automotive parts segment is expected to be in line with the industry forecast.

**Machinery parts**

Based on the better pricing for Crude Palm Oil ("CPO") and also expected higher output, the Management expect an increase in production and inadvertently more requirement for equipments and spares. The Management will remain cautious on the situation and will continue to strive to pursue sales in the new year.

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**B Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements**

**B4 Profit estimate, forecast, projection or internal targets and profit guarantee**

The Group did not announce or provide any profit estimate, forecast, projection, internal targets for the financial year ended 31 December 2019.

**B5 Taxation**

	3 months period ended		Financial year ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Income tax income/(expenses):	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Current year	(863)	(600)	(600)	(707)
- Prior year	90	(116)	90	(115)
Deferred tax:				
- Origination and reversal of temporary differences	149	(488)	149	(491)
	<u>(624)</u>	<u>(1,204)</u>	<u>(361)</u>	<u>(1,313)</u>

**B6 Status of corporate proposals announced**

The Group does not have any corporate proposals at the date of this announcement.

**B7 Notes to the Statements of Comprehensive Income**

Profit for the period is arrived after (charging)/crediting :

	3 months period ended		Financial year ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Interest income	6	7	35	78
Other income including investment income	392	1,643	1,195	1,755
Gain on disposal of investment properties, plant and equipments	754	-	6,881	-
Interest expenses	(346)	(356)	(1,243)	(1,416)
Depreciation and amortisation	(2,548)	(2,555)	(7,748)	(7,652)
Development cost	(245)	(297)	(660)	(765)
Net foreign exchange gain loss	(226)	(33)	(90)	(1,074)

Other than the above, there was no gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives and exceptional items included in the results for the current quarter ended 31 December 2019.

**B8 Group borrowings**

Secured:-	As at 31 December 2019			As at 31 December 2018		
	Long term	Short term	Total	Long term	Short term	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Bank overdraft	-	531	531	-	-	-
Revolving credit	-	8,931	8,931	-	13,953	13,953
Term loans	4,531	428	4,959	6,470	585	7,055
	<u>4,531</u>	<u>9,890</u>	<u>14,421</u>	<u>6,470</u>	<u>14,538</u>	<u>21,008</u>

All the above borrowings are denominated in Ringgit Malaysia and the Group does not have any foreign denominated borrowings or any unsecured borrowings. The bank overdraft of the Group bears interest rate of 8.07% per annum whilst both revolving credit and term loans bears interest rate range from 5.40% to 5.87% and 4.72% per annum respectively.

**B Additional Information Required by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements**

**B9 Material litigation**

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement.

**B10 Dividend**

The Board of Directors does not recommend any dividend for the current period ended 31 December 2019.

**B11 Basic earnings per ordinary share**

The calculation of basic earnings per ordinary share for the quarter and for the cumulative quarter is based on the following:

	<b>For the quarter ended 31.12.2019 RM'000</b>	<b>For the cumulative 12 months ended 31.12.2019 RM'000</b>
Profit attributable to Owners of the Company:	(1,055)	911
Profit/(loss) attributable to minority interest	717	154
Profit for the period	<u>(338)</u>	<u>1,065</u>
Weighted average number of ordinary shares	<u>42,163</u>	<u>42,163</u>
Basic earnings per share (sen)	<u>(2.50)</u>	<u>2.16</u>

There were no dilutive potential ordinary shares outstanding as at 31 December 2019 and that of the previous financial year. As a result, there were no diluted earnings per share for the financial year ended 31 December 2019 and the previous financial year.