

The Board of directors is pleased to submit its quarterly report on the consolidated results of the Group for the fourth quarter ended 31 December 2019. The figures have not been audited.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Individual Period			Cumulative Period				
	Current Year Quarter 31/12/2019 RM'000	Preceding Year Corresponding Quarter 31/12/2018 RM'000	Changes in Amount RM'000	Changes in %	Current Year-to- date 31/12/2019 RM'000	Preceding Year Corresponding Period 31/12/2018 RM'000	Changes in Amount RM'000	Changes in %
Continuing Operations								
Revenue	8,683	8,464	219	3	28,560	30,807	(2,247)	(7)
Cost of sales	(2,881)	(3,570)	689	(19)	(7,661)	(8,394)	733	(9)
Gross profit	5,802	4,894	908	19	20,899	22,413	(1,514)	(7)
Interest income	58	53	5	-	65	56	9	16
Net gain from disposal of investment properties	1,207	-	1,207	1,596	8,004	478	7,526	1,574
Other income	11	54	(43)	(80)	33	129	(96)	(74)
Administrative and Distribution expenses	(883)	(711)	(172)	24	(5,488)	(4,102)	(1,386)	34
Depreciation of investment properties and PPE	(1,143)	(1,114)	(29)	3	(4,354)	(4,364)	10	(0)
Other expenses	(585)	(68)	(517)	760	(2,131)	(1,684)	(447)	27
Finance costs	(2,599)	(2,767)	168	(6)	(10,456)	(10,791)	335	(3)
Profit before taxation	1,868	341	1,527	448	6,572	2,135	4,437	208
Income tax expense	(535)	(275)	(260)	(95)	(1,604)	(1,564)	(40)	3
Profit for the period	1,333	66	1,267	1,920	4,968	571	4,397	770
Earning/(Loss) per share attributable to shareholders of the parent:								
Basic and diluted earnings/(loss) per ordinary share (sen)	1.24	0.06			4.62	0.52		

Earning/(Loss) per share attributable to shareholders of the parent:

Basic and diluted earnings/(loss) per ordinary share (sen)

1.24 0.06

4.62 0.52

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements).

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019
Condensed Consolidated Statement of Financial Position

	Unaudited As At 31/12/2019 RM'000	Audited As At 31/12/2018 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	2,401	2,745
Investment properties	282,151	269,909
Prepaid lease payments	2,190	2,263
Other investments	10,147	9,501
Deferred tax assets	240	254
	<u>297,129</u>	<u>284,672</u>
Current Assets		
Inventories	144	351
Contract assets	1,386	1,518
Receivables, deposits and prepayment	11,405	9,587
Current tax assets	54	720
Assets classified as held for sale	524	539
Cash & bank balances	6,415	5,681
	<u>19,928</u>	<u>18,396</u>
TOTAL ASSETS	<u>317,057</u>	<u>303,068</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	107,491	107,491
Reserves	39,426	33,813
Total equity	<u>146,917</u>	<u>141,304</u>
Non-current liabilities		
Loan and borrowings	132,798	121,360
Deferred income	906	961
Deferred tax liabilities	399	302
	<u>134,103</u>	<u>122,623</u>
Current liabilities		
Loan and borrowings	24,030	28,709
Payables and accruals	11,747	10,326
Provision for taxation	205	51
Deferred income	55	55
	<u>36,037</u>	<u>39,141</u>
Total liabilities	<u>170,140</u>	<u>161,764</u>
TOTAL EQUITY AND LIABILITIES	<u>317,057</u>	<u>303,068</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.37	1.31

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

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019
Condensed Consolidated Statement of Cash Flows

	12 months period ended 31 Dec	
	2019	2018
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	6,572	2,135
Adjustment for:-		
Depreciation and amortisation	4,354	4,364
Dividend received	(507)	(441)
Interest income	(65)	(56)
Interest expense	10,456	10,791
Net gain from disposal of Investment properties	(8,004)	(478)
Unrealised (gain)/loss on foreign exchange	-	(14)
Impairment gain/(loss) on:		
- trade receivables, net	-	(9)
- other investments	-	-
Operating profit before working capital changes	12,806	16,292
Decrease/(Increase) in:		
Inventories	207	(351)
Contract assets	132	(299)
Receivables	(1,818)	(1,840)
Increase/(Decrease) in:		
Deferred income	(55)	(55)
Payables	1,421	163
Cash generated from/(used in) operating activities	12,693	13,910
Tax paid	(1,581)	(2,057)
Net cash generated from/(used in) operating activities	11,112	11,853
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	65	56
Dividend received	507	441
Acquisition of:		
- property, plant and equipment	(14)	(47)
- investment properties	(24,973)	(12,323)
Proceeds from disposal of investment properties	17,740	1,100
Net cash generated from/(used in) investing activities	(6,675)	(10,773)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(201)	(263)
Interest paid	(10,456)	(10,791)
Drawdown of term loan	29,440	21,006
Repayment of term loan	(14,295)	(16,606)
Withdrawal/(Placement) of pledged deposit	(1,257)	251
Net cash generated from/(used in) financing activities	3,231	(6,403)
Net increase/(decrease) in cash and cash equivalents	7,668	(5,323)
Cash and cash equivalents at 1 January	(10,601)	(5,278)
Cash and cash equivalents at 31 December	(2,933)	(10,601)
Net Cash Generated From/(Used In) Operating Activities	11,112	11,853
Net Cash Generated From/(Used In) Investing Activities	(6,675)	(10,773)
Net Cash Generated From/(Used In) Financing Activities	3,231	(6,403)
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,668	(5,323)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(10,601)	(5,278)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	(2,933)	(10,601)
Cash and Cash Equivalents at 31 December consist of:-		
Cash and bank balances	6,415	5,681
Bank overdrafts	(7,272)	(15,463)
Less: Deposit pledged to the financial institutions	(2,076)	(819)
	(2,933)	(10,601)

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

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019
Condensed Consolidated Statement of Changes in Equity

	←----- Attributable to shareholders of the parent ----->		-----> Distributable		Total
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	RM'000
At 1 January 2018	107,491	-	3,922	30,700	142,113
Other comprehensive income					
- Fair value of available-for-sale financial assets	-	-	(1,380)	-	(1,380)
Profit for the period	-	-	-	571	571
Total comprehensive income for the period			(1,380)	571	(809)
At 31 December 2018	107,491	-	2,542	31,271	141,304
At 1 January 2019	107,491	-	2,542	31,271	141,304
Other comprehensive income					
- Fair value of available-for-sale financial assets	-	-	645	-	645
Profit for the period	-	-	-	4,968	4,968
Total comprehensive income for the period			645	4,968	5,613
At 31 December 2019	107,491	-	3,187	36,239	146,917

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER IN RESPECT OF FINANCIAL YEAR ENDING 31 DECEMBER 2019 – UNAUDITED

Part A: Selected explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting

A1 Basis of preparation

These condensed consolidated interim financial reports, for the period ended 31 December 2019, 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 interim financial statements should be read in conjunction with the audited annual financial statement of the Group for the financial year ended 31 December 2018. The explanatory notes attached to the condensed consolidated 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 year ended 31 December 2018.

A2 Significant Accounting Policies

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s consolidated audited financial statements for the financial year ended 31 December 2018.

The Group has adopted MFRS 16 *Leases* with effective from 1st January 2019. The adoption has no material financial impact to the Group.

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption to the Group :

MFRSs, Interpretations and amendments for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 3 Business Combinations
- Amendments to MFRS 101 Presentation of Financial Statements
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting estimates and Errors

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17 Insurance Contracts

MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendments to MFRS 10 Consolidated Financial Statements
- MFRS 128 Investment in Associates and Joint Ventures - Sale or Contribution by Assets between an Investor and its Associate or Joint Venture

The Group do not plan to apply MFRS 17, Insurance Contracts that is effective for annual periods beginning on or after 1 January 2021 as it is not applicable to the Group.

The adoption of the above standards and amendments are not expected to have any material financial impact to the Group upon their first adoption.

A3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2018 was not qualified.

A4 Seasonal or cyclical factors

The Group's operations were not affected by any significant seasonal or cyclical factors in the current quarter.

A5 Unusual items Due to Their Nature, Size or Incidence

Other than disclosed in the financial statements, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the fourth quarter ended 31 December 2019 ("Q4 FY19").

A6 Change in Estimates

There were no significant changes in estimates of amounts reported in prior financial year which have a material effect in Q4 FY19.

A7 Debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter and financial year-to-date.

A8 Dividend

There was no dividend payment made for the current quarter under review.

A9 Segmental Reporting

Segmental reporting by quarter and cumulative year-to-date basis is as tabulated.

3 Months ended Q4 FY19	Manufacturing RM'000		Investment Holding RM'000		Consolidated RM'000	
	2019	2018	2019	2018	2019	2018
Revenue	3,923	4,102	4,760	4,362	8,683	8,464
Results						
Segment results	588	830	3,879	2,278	4,467	3,108
Interest Expenses	(236)	(162)	(2,363)	(2,605)	(2,599)	(2,767)
Total					1,868	341

12 Months ended Q4 FY19	Manufacturing RM'000		Investment Holding RM'000		Consolidated RM'000	
	2019	2018	2019	2018	2019	2018
Revenue	11,256	12,459	17,304	18,348	28,560	30,807
Results						
Segment results	1,204	2,841	15,824	10,085	17,028	12,926
Interest Expenses	(678)	(697)	(9,778)	(10,094)	(10,456)	(10,791)
Total					6,572	2,135

A10 Valuations of property, plant and equipment

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

A11 Material events subsequent to balance sheet date

There were no material events subsequent to the end of the period under review to 18 February 2020.

A12 Changes in the composition of the Group

There were no changes in the composition of the Group subsequent to the end of the period under review to 18 February 2020.

A13 Changes in contingent liabilities or contingent assets as at 31 December 2019

The contingent liabilities / assets as at 31 December 2019 is as tabulated:

Unsecured:	RM '000
Corporate guarantee issued to banks for credit facilities granted to subsidiary companies	113,415

A14 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment losses.

A15 Capital commitments

There was no capital commitments during the current quarter ended 31 December 2019.

Part B: Additional information required under Part A of Appendix 9B of Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Group's Financial Performance Review and Segmental Analysis

(a) Overall review of Group's financial performance by quarter

Segment	<----- 3 months ended 31 December ----->			
	Current year quarter 4Q FY19 RM'000	Preceding year corresponding quarter 4Q FY18 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	3,923	4,102	(179)	(4)
Profit Before Interest and Tax	588	838	(250)	(30)
(Loss)/Profit Before Tax	352	668	(316)	(47)
(Loss)/Profit After Tax	231	515	(284)	(55)

<----- 3 months ended 31 December ----->

Segment	Current year quarter 4Q FY19 RM'000	Preceding year corresponding quarter 4Q FY18 RM'000	Changes in amount RM'000	Changes in %
Investment holding				
Revenue	4,760	4,362	398	9
Profit Before Interest and Tax	3,879	2,278	1,601	70
Profit/(Loss) Before Tax	1,516	(327)	1,843	564
Profit/(Loss) After Tax	1,102	(449)	1,555	345
Total				
Revenue	8,683	8,464	219	3
Profit Before Interest and Tax	4,467	3,116	1,351	43
Profit Before Tax	1,868	341	1,527	448
Profit After Tax	1,333	66	1,267	1,920

(b) Overall review of Group's financial performance on a cumulative quarter basis

<----- 12 months ended 31 December ----->

Segment	Current year quarter 4Q FY19 RM'000	Preceding year corresponding quarter 4Q FY18 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	11,256	12,459	(1,203)	(10)
Profit Before Interest and Tax	1,204	2,841	(1,637)	(58)
Profit Before Tax	526	2,144	(1,618)	(75)
(Loss)/Profit After Tax	(49)	2,335	(2,384)	(102)

<----- 12 months ended 31 December ----->

Segment	Current year quarter 4Q FY19 RM'000	Preceding year corresponding quarter 4Q FY18 RM'000	Changes in amount RM'000	Changes in %
Investment holding				
Revenue	17,304	18,348	(1,044)	(6)
Profit Before Interest and Tax	15,824	10,085	5,739	57
Profit/(Loss) Before Tax	6,046	(9)	6,055	67,278
Profit/(Loss) After Tax	5,017	(1,764)	6,781	384
Total				
Revenue	28,560	30,807	(2,247)	(7)
Profit Before Interest and Tax	17,028	12,926	4,102	32
Profit Before Tax	6,572	2,135	4,437	208
Profit After Tax	4,968	571	4,397	770

(i) **Statement of Profit or Loss and Other Comprehensive Income**

During the current quarter under review the Group recorded revenue of RM8.68 million, an increase of RM0.22 million from RM8.46 million reported in the preceding year corresponding quarter. The increase in revenue was mainly due to higher rental received by investment holding division.

For the twelve months ended 31 December 2019, the Group recorded revenue of RM28.56 million and PBT of RM6.57 million against revenue of RM30.81 million and PBT of RM2.14 million for the corresponding period ended 31 December 2018. The decrease in orders for tooling and rental received had contributed to lower revenue recorded during the period ended 31 December 2019. The higher PBT achieved during the twelve months was mainly contributed by gain from disposal of properties.

(ii) **Statement of Financial Position**

The total equity attributable to the owners of the Company as at 31 December 2019 was RM146.92 million from RM141.30 as at 31 December 2018. The increase was mainly due to net profit achieved for the period ended 31 December 2019.

Total borrowings of the Group increased to RM156.83 million as at 31 December 2019 against RM150.07 million as at 31 December 2018.

(iii) **Statement of Cash Flows**

The net cash generated from operations of the Group was RM11.11 million for the twelve months ended 31 December 2019 against RM11.85 million generated from operating activities in the preceding year corresponding period ended Q4 FY18. The net cash used in investing activities was RM6.68 million during the current quarter against RM10.77 million used in preceding year corresponding quarter. The net cash generated from financing activities was RM3.23 million for Q4 FY19 against RM6.40 million in the preceding year corresponding period ended Q4 FY18. Overall, cash and cash equivalents as at 31 December 2019 was RM2.93 million compared with RM10.60 million as at 1 January 2019.

(c) **Segmental Analysis**

Current quarter compared with previous year corresponding quarter

The manufacturing division recorded a revenue RM3.92 million compared to RM4.10 million recorded in the preceding year corresponding quarter. During the current quarter the manufacturing division recorded profit before tax ("PBT") of RM0.35 million compared with PBT of RM0.67 million achieved in the 4Q FY18. The lower revenue and PBT was mainly due to lower demand from existing customers.

The investment holding division recorded a revenue of RM4.76 million during the current quarter, an increase of RM0.40 million from RM4.36 million achieved in the preceding year corresponding quarter. The investment holding division recorded PBT of RM1.52 million, an increase of RM1.85 million from LBT of RM0.33 million recorded in 4Q FY18. The increase in PBT during the current quarter was mainly contributed by gain in disposal of properties.

B2 Financial review for current quarter compared with immediate preceding quarter

The Group posted revenue of RM8.68 million during the current financial quarter compared with RM6.08 million recorded in the immediate preceding quarter. The Group PBT recorded in the current quarter was RM1.87 million as compared to RM0.79 million reported in the immediate preceding quarter. The contributory factors to the above performance are explained in the respective business segments as follows:

	Current Quarter ended 31.12.2019 RM'000	Immediate Preceding Quarter ended 30.09.2019 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	3,923	1,970	1,953	99
Profit/(Loss) Interest and Tax	588	(852)	1,440	169
Profit/(Loss) before Tax	352	(949)	1,301	137
Profit/(Loss) after Tax	231	(1,191)	1,422	119
Investment holding				
Revenue	4,760	4,112	648	16
Profit before Interest and Tax	3,879	4,151	(272)	(7)
Profit before Tax	1,516	1,734	(218)	(13)
Profit after Tax	1,102	1,572	(470)	(30)
Total				
Revenue	8,683	6,082	2,601	43
Profit before Interest and Tax	4,467	3,299	1,168	35
Profit before Tax	1,868	785	1,083	138
Profit after Tax	1,333	381	952	250

- (a) The manufacturing division recorded revenue of RM3.92 million and PBT of RM0.35 million in the current quarter compared with RM1.97 million and LBT of RM0.95 million respectively in the immediate preceding quarter. The increase in revenue and profit before tax during the current quarter was mainly due to higher orders received from existing customers.
- (b) During the current quarter, the investment holding division achieved revenue of RM4.76 million and PBT of RM1.52 million compared with RM4.11 million and RM1.73 million respectively in the immediate preceding quarter. The higher revenue recorded during the current quarter was mainly due to receive of dividend income.

B3 Prospects for FY2020

The manufacturing division's performance is still very much dependent on the demand from the semi-conductor industry. The orders for tooling parts decreased in the January and February of 2020. The lower orders were due to slow recovery in previous year slowdown in the semiconductor business coupled with the trade war between the US and China and the recent virus Covid 19 had dampen the chances of improvement to IC mold business. The investment holding division which derived its revenue through rental income from investment properties would be a challenge due to softer demand for rental property market and competition from coming on-stream of new similar properties in the vicinity of the Group's investment properties.

B4 Profit forecast

This was not applicable as no profit forecast was published.

B5 Profit/(Loss) before taxation

Profit/(Loss) before taxation is arrived at after crediting/ (charging) the following income/ (expenses):

	←-----3 months ended-----→		←-----12 months ended-----→	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
(a) Net gain on disposal of investment properties	1,207	-	8,004	478
(b) Interest expense	(2,599)	(2,767)	(10,456)	(10,791)
(c) Interest income	58	53	65	56
(d) Allowance for write (down)/back of inventories	38	519	(37)	444
(e) Gain/(loss) on foreign exchange				
- realised	(5)	(5)	(23)	(32)
- unrealised	(3)	5	(10)	(4)
(f) Depreciation and amortisation	(1,143)	(1,114)	(4,354)	(4,364)

B6 Tax expense

	←-----3 months ended-----→		←-----12 months ended-----→	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Income tax expense				
-Current	998	208	1,768	1,540
-Prior year	(179)	-	(179)	37
Deferred tax expense				
-Current	(284)	67	15	(13)
	535	275	1,604	1,564

The effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain expenses which is not tax deductible.

B7 Gain/(losses) on sale of unquoted investments and/or properties

There was no profit/losses on sale of unquoted investment in the current quarter ended 31 December 2019 except for the net gain of RM1.21 million from disposal of investment properties.

B8 Marketable securities

There were no purchase or disposal of quoted securities during the current quarter ended 31 December 2019.

B9 Status of corporate proposals

There were no corporate proposals during the current quarter ended 31 December 2019.

B10 Borrowing and debts securities

All borrowings of the Group are denominated in Ringgit Malaysia.

	12 months ended 31.12.2019 (RM'000)		
	Long Term	Short Term	Total Borrowings
Bank Overdraft	-	7,272	7,272
Bank Loan	132,798	16,758	149,556
Finance Lease Liability	-	-	-
Total	132,798	24,030	156,828

	12 months ended 31.12.2018 (RM'000)		
	Long Term	Short Term	Total Borrowings
Bank Overdraft	-	15,463	15,463
Bank Loan	121,360	13,131	134,491
Finance Lease Liability	-	115	115
Total	121,360	28,709	150,069

B11 Off balance sheet financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 18 February 2020.

B12 Changes in material litigation

There was no material litigation during the current quarter and period ended 31 December 2019.

B13 Basis of calculation of earnings per share

The basic earnings per share for the current quarter and cumulative year to date are computed as follows:

	3 months ended		12 months ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Net profit for the period attributable to owners of the Company (RM'000)	1,333	66	4,968	571
Weighted average number of ordinary shares in issue	107,491,228	107,491,228	107,491,228	107,491,228
Basic earnings per share (sen)	1.24	0.06	4.62	0.52

B14 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors.

By order of the Board
LEE CHIEW HIANG
Executive Director
Date : 25 February 2020