

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 2020.
The figures have not been audited.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Individual Period		Changes in %	Cumulative Period		Changes in %
	Current Year Quarter 31/12/2020 RM'000	Preceding Year Corresponding Quarter 31/12/2019 RM'000		Current Year-to- date 31/12/2020 RM'000	Preceding Year Corresponding Period 31/12/2019 RM'000	
Continuing Operations						
Revenue	8,353	8,683	(4)	28,485	28,560	(75)
Cost of sales	(1,493)	(2,881)	48	(7,862)	(7,661)	(201)
Gross profit	6,860	5,802	18	20,623	20,899	(276)
Interest income	41	58	(29)	71	65	6
Net gain from disposal of investment properties	485	1,207	(60)	4,480	8,004	(3,524)
Other income	901	11	8,091	934	33	901
Administrative and Distribution expenses	(100)	(883)	89	(3,155)	(5,489)	2,334
Depreciation of investment properties and PPE	(1,087)	(1,143)	5	(4,377)	(4,354)	(23)
Other expenses	(20)	(585)	97	(2,013)	(2,131)	118
Finance costs	(2,026)	(2,599)	22	(9,282)	(10,456)	1,174
Profit before taxation	5,054	1,868	171	7,281	6,571	710
Income tax expense	(695)	(535)	(30)	(2,082)	(1,604)	(478)
Profit for the period	4,359	1,333	227	5,199	4,967	232
Other comprehensive income						
Fair value of available-for sale financial assets	4,086	646	533	4,086	646	3,440
	8,445	1,979	327	9,285	5,613	3,672
						65

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

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

4.06 1.24

4.84

4.62

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statement for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements).

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
Condensed Consolidated Statement of Financial Position

	Unaudited As At 31/12/2020 RM'000	Audited As At 31/12/2019 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	2,119	2,401
Investment properties	292,669	282,152
Prepaid lease payments	2,117	2,190
Other investments	14,232	10,147
Deferred tax assets	217	240
	<u>311,354</u>	<u>297,130</u>
Current Assets		
Inventories	202	144
Contract assets	1,005	1,386
Receivables, deposits and prepayment	12,268	11,953
Current tax assets	301	-
Assets classified as held for sale	-	524
Fixed Deposit	6,065	2,996
Cash & bank balances	10,639	3,419
	<u>30,480</u>	<u>20,422</u>
TOTAL ASSETS	<u>341,834</u>	<u>317,552</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	107,491	107,491
Reserves	48,711	39,426
Total equity	<u>156,202</u>	<u>146,917</u>
Non-current liabilities		
Loan and borrowings	134,533	133,168
Payables and accruals	3,541	-
Deferred income	851	906
Deferred tax liabilities	178	317
	<u>139,103</u>	<u>134,391</u>
Current liabilities		
Loan and borrowings	37,696	23,661
Payables and accruals	8,417	12,295
Provision for taxation	361	233
Deferred income	55	55
	<u>46,529</u>	<u>36,244</u>
Total liabilities	<u>185,632</u>	<u>170,635</u>
TOTAL EQUITY AND LIABILITIES	<u>341,834</u>	<u>317,552</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.45	1.37

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements).

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
Condensed Consolidated Statement of Cash Flows

	12 months period ended 31 Dec	
	2020	2019
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	7,281	6,571
Adjustment for:-		
Depreciation and amortisation	4,377	4,353
Dividend received	(524)	(507)
Interest income	(71)	(66)
Interest expense	9,282	10,412
Unrealised loss/(gain) on foreign exchange	-	10
Impairment loss/(Reversal of impairment loss) on:		
- trade receivables, net	-	18
Net gain from disposal of Investment properties	(4,480)	(9,942)
Operating profit before working capital changes	15,865	10,849
Decrease/(Increase) in:		
Inventories	(58)	207
Contract assets	381	132
Receivables	(315)	2,215
Increase/(Decrease) in:		
Deferred income	(55)	(55)
Payables	(337)	1,959
Cash generated from operating activities	15,481	15,307
Tax paid	(2,370)	(673)
Net cash generated from operating activities	13,111	14,634
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	71	66
Dividend received	524	507
Acquisition of:		
- property, plant and equipment	(17)	(14)
- investment properties	(17,027)	(24,973)
Deposits paid for acquisition of investment properties	-	(4,599)
Proceeds from disposal of investment properties	7,509	18,765
Net cash used in investing activities	(8,940)	(10,248)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	-	(115)
Interest paid	(9,282)	(10,412)
Redeem term loan	(34,833)	-
Drawdown of term loan	51,596	15,066
Repayment of term loan	(10,626)	-
Withdrawal/(Placement) of pledged deposit	(3,070)	(2,177)
Net cash (used in)/generated from financing activities	(6,215)	2,362
Net (decrease)/increase in cash and cash equivalents	(2,044)	6,748
Cash and cash equivalents at 1 January	(3,853)	(10,601)
Cash and cash equivalents at 31 December	(5,897)	(3,853)
Net Cash Generated From/(Used In) Operating Activities	13,111	14,634
Net Cash Generated From/(Used In) Investing Activities	(8,940)	(10,248)
Net Cash Generated From/(Used In) Financing Activities	(6,215)	2,362
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,044)	6,748
CASH AND CASH EQUIVALENTS AT 1 JANUARY	(3,853)	(10,601)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	(5,897)	(3,853)
Cash and Cash Equivalents at 31 December consist of:-		
Cash and bank balances	10,639	3,419
Bank overdrafts	(16,536)	(7,272)
	(5,897)	(3,853)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements).

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2020
Condensed Consolidated Statement of Changes in Equity

	Attributable to shareholders of the parent				
	Non-distributable		Distributable		
	Share Capital RM'000	Share Premium RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000	Total RM'000
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
At 1 January 2020	107,491	-	3,187	36,239	146,917
Other comprehensive income					
- Fair value of available-for-sale financial assets	-	-	4,086	-	4,086
Profit for the period	-	-	-	5,199	5,199
Total comprehensive income for the period	-	-	4,086	5,199	9,285
At 31 December 2020	107,491	-	7,273	41,438	156,202

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 2020 – 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 2020, 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 2019. 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 2019.

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 2019.

The Group has adopted the following MFRSs, Interpretation and amendments effective 1st 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

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 effective for annual periods beginning on or after 1 January 2021

- MFRS 17 Insurance Contracts

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 101 Presentation of Financial Statements-Classification of Liabilities as Current or Non Current

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 2019 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 2020 ("Q4 FY20").

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 FY20.

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 FY20	Manufacturing RM'000		Investment Holding RM'000		Consolidated RM'000	
	2020	2019	2020	2019	2020	2019
Revenue	3,354	4,430	4,999	4,253	8,353	8,683
Results						
Segment results	1,404	588	5,676	3,879	7,080	4,467
Interest Expenses	(120)	(236)	(1,906)	(2,363)	(2,026)	(2,599)
Total					5,054	1,868

12 Months ended Q4 FY20	Manufacturing RM'000		Investment Holding RM'000		Consolidated RM'000	
	2020	2019	2020	2019	2020	2019
Revenue	11,487	11,763	16,998	16,797	28,485	28,560
Results						
Segment results	1,782	1,204	14,781	15,823	16,563	17,027
Interest Expenses	(698)	(678)	(8,584)	(9,778)	(9,282)	(10,456)
Total					7,281	6,571

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 2019.

A11 Material events subsequent to balance sheet date

There were no material events subsequent to the end of the period under review to 17 February 2021.

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 17 February 2021.

A13 Changes in contingent liabilities or contingent assets as at 31 December 2020

The contingent liabilities / assets as at 31 December 2020 is as tabulated:

Unsecured:	RM '000
Corporate guarantee issued to banks for credit facilities granted to subsidiary companies	114,355

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 2020.

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

	<-----3 months ended 31 December ----->			
	Current year quarter 4Q FY20 RM'000	Preceding year corresponding quarter 4Q FY19 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	3,354	4,430	(1,076)	(24)
Profit Before Interest and Tax	1,405	588	817	139
Profit Before Tax	1,285	352	933	265
Profit After Tax	876	231	645	279
Investment holding				
Revenue	4,999	4,253	746	18
Profit Before Interest and Tax	5,675	3,879	1,796	46
Profit Before Tax	3,769	1,516	2,253	149
Profit After Tax	3,483	1,102	2,381	216
Total				
Revenue	8,353	8,683	(330)	(4)
Profit Before Interest and Tax	7,080	4,467	2,613	58
Profit Before Tax	5,054	1,868	3,186	171
Profit After Tax	4,359	1,333	3,026	227

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

	<-----12 months ended 31 December 2020----->			
	Current year quarter 4Q FY20 RM'000	Preceding year corresponding quarter 4Q FY19 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	11,487	11,763	(276)	(2)
Profit Before Interest and Tax	1,782	1,204	578	48
Profit Before Tax	1,084	526	558	106
Profit/(Loss) After Tax	350	(49)	399	814
Investment holding				
Revenue	16,998	16,797	201	1
Profit Before Interest and Tax	14,781	15,823	(1,042)	(7)
Profit Before Tax	6,197	6,045	152	2
Profit After Tax	4,849	5,016	(167)	(3)
Total				
Revenue	28,485	28,560	(75)	-
Profit Before Interest and Tax	16,563	17,027	(464)	(3)
Profit Before Tax	7,281	6,571	710	11
Profit After Tax	5,199	4,967	232	5

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

During the current quarter (Q4 FY20) under review the Group recorded revenue of RM8.35 million and profit before tax (PBT) of RM5.05 million. The revenue and PBT changes during the current quarter compared to the preceding year corresponding quarter is explained in note B1 (c).

For the twelve months ended 31 December 2020, the Group recorded revenue of RM28.49 million and PBT of RM7.28 million against revenue of RM28.56 million and PBT of RM6.57 million for the corresponding period ended 31 December 2019. The higher PBT for the period ended 31 December 2020 as compared to the period ended 31 December 2019 was mainly contributed by the manufacturing division.

Statement of Financial Position

The total equity attributable to the owners of the Company as at 31 December 2020 was RM156.20 million from RM146.92 million as at 31 December 2019. The increase was mainly due to net profit achieved for the period ended 31 December 2020.

Total bank borrowings of the Group increase to RM172.23 million as at 31 December 2020 against RM156.83 million as at 31 December 2019.

(ii) Statement of Cash Flows

The net cash generated from operations of the Group was RM13.11 million for the twelve months ended 31 December 2020 against RM14.63 million generated from operating activities in the preceding year corresponding period ended Q4 FY19. The net cash used in investing activities was RM8.94 million during the current period ended 31 December 2020 against RM10.25 million used in investing activities recorded in the preceding year corresponding period. The net cash used in financing activities was RM6.21 million for current period ended Q4 FY2020 against RM2.36 million generated from the preceding year corresponding period ended Q4 FY19. Overall, cash and cash equivalents as at 31 December 2020 was (RM5.90) million compared with (RM3.85) million as at 1 January 2020.

(c) Segmental Analysis

Current quarter compared with previous year corresponding quarter

The manufacturing division recorded a revenue RM3.35 million compared to RM4.43 million recorded in the preceding year corresponding quarter. During the current quarter the manufacturing division recorded profit before tax ("PBT") of RM1.29 million compared with profit before tax ("PBT") of RM0.35 million achieved in the 4Q FY19. The lower revenue was mainly due to lower production output as certain products required longer lead time. During the current quarter under review PBT increased by RM0.94 million compared to the previous year corresponding quarter. The improvement in the result was mainly due to higher production efficiencies.

The investment holding division recorded a revenue of RM5.00 million during the current quarter, an increase of RM0.75 million from RM4.25 million achieved in the preceding year corresponding quarter. The investment holding division recorded PBT of RM3.77 million, an increase of RM2.25 million from PBT of RM1.52 million recorded in 4Q FY19. The higher revenue achieved during the current quarter was

mainly due to dividend receive from other investment. The increase in PBT was due to lower operating costs and increase in other income received from a previous tenant for reinstatement related costs.

B2 Financial review for current quarter compared with immediate preceding quarter

The Group posted revenue of RM8.35 million during the current financial quarter compared with RM8.95 million recorded in the immediate preceding quarter. The Group PBT recorded in the current quarter was RM5.05 million as compared with PBT of RM0.77 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 31.12.2020 RM'000	Immediate Preceding Quarter ended 30.09.2020 RM'000	Changes in amount RM'000	Changes in %
Manufacturing				
Revenue	3,354	4,455	(1,101)	(25)
Profit Interest and Tax	1,405	665	740	111
Profit before Tax	1,285	478	807	169
Profit after Tax	876	142	734	517
Investment holding				
Revenue	4,999	4,495	504	11
Profit before Interest and Tax	5,675	2,601	3,074	118
Profit before Tax	3,769	291	3,478	1,195
Profit after Tax	3,483	146	3,337	2,286
Total				
Revenue	8,353	8,950	(597)	(7)
Profit before Interest and Tax	7,080	3,266	3,814	117
Profit before Tax	5,054	769	4,285	557
Profit after Tax	4,359	288	4,071	1,414

- (a) The manufacturing division recorded revenue of RM3.35 million and PBT of RM1.29 million in the current quarter compared with RM4.46 million and profit before tax of RM0.48 million respectively in the immediate preceding quarter. The decrease in revenue was mainly due to lower production output as certain products require longer lead time. The increase in profit before tax during the current quarter was mainly due to increase in production efficiencies.
- (b) During the current quarter, the investment holding division achieved revenue of RM5.00 million and PBT of RM3.77 million compared with RM4.50 million and RM0.29 million respectively in the immediate preceding quarter. The higher revenue was mainly contributed by dividend received from other investment. The PBT recorded in the current quarter as compared to the immediate preceding quarter was mainly due to lower operation cost and increase in other income received from a previous tenant for reinstatement related costs.

B3 Prospects for FY2021

The manufacturing division's performance is driven by the demand from semiconductor industry. Semiconductor industry sales is expected return to growth this year despite disruptions from the Covid-19 pandemic. Technology inflections such as 5G wireless, artificial intelligence and machine learning are driving chip sales.

The investment holding division which derived its revenue through rental income from investment properties would be a challenge due to the prolong Condition Movement Control Order caused by Covid-19 pandemic and has resulted in softer market demand for rental of property.

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-----→	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
(a) Net gain on disposal of investment properties	485	1,207	4,480	8,004
(b) Interest expense	(2,026)	(2,599)	(9,282)	(10,456)

	←-----3 months ended-----→		←-----12 months ended-----→	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
(c) Interest income	41	58	71	65
(d) Allowance for write (down)/back of inventories	(75)	38	(300)	(37)
(e) Gain/(loss) on foreign exchange				
– Realized	20	(5)	(46)	(23)
– Unrealized	16	(3)	(27)	(10)
(f) Depreciation and amortisation	(1,087)	(1,143)	(4,377)	(4,354)

B6 Tax expense

	←-----3 months ended-----→		←-----12 months ended-----→	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Income tax expense				
-Current	726	998	2,180	1,767
-Prior year	114	(179)	114	(178)
Deferred tax expense				
-Current	(161)	(284)	(228)	15
-Prior year	16	-	16	-
	695	535	2,082	1,604

The effective tax rate for the current quarter is lower than the statutory tax rate of 24%.

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

There was no profit/losses on sale of unquoted investment and/or properties in the current quarter ended 31 December 2020 except for the net gain of RM485,000 from disposal of a condominium by the company.

B8 Marketable securities

There were no purchase or disposal of quoted securities during the current quarter ended 31 December 2020.

B9 Status of corporate proposals

There were no corporate proposals during the current quarter ended 31 December 2020.

B10 Borrowing and debts securities

All borrowings of the Group are denominated in Ringgit Malaysia.

12 months ended 31.12.2020 (RM'000)			
	Long Term	Short Term	Total Borrowings
Bank Overdraft	-	16,536	16,536
Bank Loan	134,533	21,160	155,693
Total	134,533	37,696	172,229

12 months ended 31.12.2019 (RM'000)			
	Long Term	Short Term	Total Borrowings
Bank Overdraft	-	7,272	7,272
Bank Loan	133,168	16,389	149,557
Total	133,168	23,661	156,829

B11 Off balance sheet financial instruments

The Group does not have any financial instruments with off-balance sheet risk as at 17 February 2021.

B12 Changes in material litigation

There was no material litigation during the current quarter and period ended 31 December 2020.

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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net profit for the period attributable to owners of the Company (RM'000)	4,359	1,333	5,199	4,967
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)	4.06	1.24	4.84	4.62

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 : 24 February 2021