



**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income  
For the 2nd Quarter Ended 30 September 2020**

	Note	Current Quarter		Year To-date	
		30-9-20	30-9-19	30-9-20	30-9-19
		3-months	3-months	6-months	6-months
		RM'000	RM'000	RM'000	RM'000
Revenue	9	5,676	8,080	8,919	16,875
Cost of sales		(4,338)	(6,228)	(6,718)	(12,701)
<b>Gross profit</b>		<b>1,338</b>	<b>1,852</b>	<b>2,201</b>	<b>4,174</b>
Other income		147	268	350	460
Other operating expenses		(1,662)	(3,158)	(3,083)	(5,827)
Administrative expenses		(130)	(95)	(226)	(233)
Finance costs		-	-	-	-
<b>Loss before tax</b>	10	<b>(307)</b>	<b>(1,133)</b>	<b>(758)</b>	<b>(1,426)</b>
Tax expense	20	-	-	-	(95)
<b>Loss for the period</b>		<b>(307)</b>	<b>(1,133)</b>	<b>(758)</b>	<b>(1,521)</b>
<b>Other comprehensive income, net of tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Loss and other comprehensive loss for the period</b>		<b>(307)</b>	<b>(1,133)</b>	<b>(758)</b>	<b>(1,521)</b>
<b>Loss and other comprehensive loss for the period attributable to :</b>					
Owners of the Company		(307)	(1,133)	(758)	(1,521)
<b>Basic Loss per share attributable to owners of the Company (sen)</b>	25	<b>(0.07)</b>	<b>(0.25)</b>	<b>(0.17)</b>	<b>(0.34)</b>

*The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.*



Condensed Consolidated Statements of Financial Position

		Unaudited As at <u>30/9/20</u> RM'000	Audited As at <u>31/03/20</u> RM'000
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
Property, plant and equipment	11	15,914	15,965
Investment properties		4,250	4,322
Intangible asset		305	335
Right-of-use assets		137	269
<b><u>Current assets</u></b>			
Inventories		6,088	8,266
Trade receivables		6,160	11,543
Non-trade receivables, deposits and prepayments		1,015	1,695
Tax recoverable		523	413
Deposits with licensed financial institutions		23,841	14,101
Cash and bank balances		7,716	10,930
		<u>45,343</u>	<u>46,948</u>
<b>TOTAL ASSETS</b>		<u><b>65,949</b></u>	<u><b>67,839</b></u>
<b>EQUITY AND LIABILITIES</b>			
Share Capital	7	44,955	44,955
Retained earnings		19,505	20,263
Attributable to Equity holders of the parent		<u>64,460</u>	<u>65,218</u>
Non-controlling Interest		-	-
<b>TOTAL EQUITY</b>		<u><b>64,460</b></u>	<u><b>65,218</b></u>
<b><u>Non-current liabilities</u></b>			
Lease liabilities		-	22
<b><u>Current liabilities</u></b>			
Trade payables		332	871
Non-trade payables and accruals		1,013	1,460
Lease liabilities		144	255
Tax payable		-	13
		<u>1,489</u>	<u>2,599</u>
<b>TOTAL LIABILITIES</b>		<u><b>1,489</b></u>	<u><b>2,621</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>65,949</b></u>	<u><b>67,839</b></u>
<b>Net assets per share (RM)</b>		<u><b>0.14</b></u>	<u><b>0.15</b></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.



**Condensed Consolidated Statements of Changes in Equity  
For the 2nd Quarter Ended 30 September 2020**

	Attributable to Owners of the Company			Non-Controlling Interest	Total Equity
	Share Capital	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2019</b>	44,955	24,151	69,106	-	69,106
Loss and other comprehensive loss for the period	-	(1,521)	(1,521)	-	(1,521)
<b>At 30 September 2019</b>	<b>44,955</b>	<b>22,630</b>	<b>67,585</b>	<b>-</b>	<b>67,585</b>
<b>At 1 April 2020</b>	44,955	20,263	65,218	-	65,218
Loss and other comprehensive loss for the period	-	(758)	(758)	-	(758)
<b>At 30 September 2020</b>	<b>44,955</b>	<b>19,505</b>	<b>64,460</b>	<b>-</b>	<b>64,460</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.*



**Condensed Consolidated Statements of Cash Flows**

	6-months <u>30/9/20</u> RM'000	6-months <u>30/9/19</u> RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(758)	(1,426)
Adjustments for:-		
Depreciation of property, plant and equipment	291	264
Depreciation of investment property	30	30
Amortisation of intangible asset	30	29
Depreciation of right-of use assets	132	-
Property, plant and equipment written down	19	262
Loss on disposal of property, plant and equipment	1	2
Impairment of trade receivables	-	185
Unrealised foreign exchange loss	7	28
Interest expense on lease liabilities	4	-
Interest income	(236)	(370)
<b>Operating loss before changes in working capital</b>	<u>(480)</u>	<u>(996)</u>
Inventories	2,178	992
Receivables	6,063	1,920
Payables	(986)	(1,201)
<b>Cash from operations</b>	<u>6,775</u>	<u>715</u>
Tax paid	(127)	(163)
Tax refund	17	164
<b>Net cash from operating activities</b>	<u>6,665</u>	<u>716</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(245)	(1,214)
Purchase of intangible asset	-	(1)
Proceeds from disposal of property, plant and equipment	1	6
Placement of fixed deposits	(1,053)	(5,000)
Interest received	236	370
<b>Net cash used in investing activities</b>	<u>(1,061)</u>	<u>(5,839)</u>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(132)	-
Interest on lease liabilities	(4)	-
<b>Net cash used in financing activities</b>	<u>(136)</u>	<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>5,468</u>	<u>(5,123)</u>
<b>Cash and cash equivalents as at 1 April</b>	<u>13,889</u>	<u>22,926</u>
<b>Cash and cash equivalents as at end of period</b>	<u>19,357</u>	<u>17,803</u>
<b>Cash and cash equivalents comprise the following amounts:</b>		
Deposits with licensed banks	11,641	12,300
Cash and bank balances	7,716	5,503
	<u>19,357</u>	<u>17,803</u>

*(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes)*



## Part A - Explanatory Notes Pursuant to MFRS 134

### 1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with MFRS 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2020.

### 2 Significant Accounting Policies

The significant accounting policies and computation methods are consistent with those of the audited financial statements for the year ended 31 March 2020, except for the adoption of the following Amendments to MFRSes during the current financial period:

#### (A) Standards issued and effective

On 1 April 2019, the Group and the Company have also adopted the following new and amended MFRS which are mandatory for annual financial periods beginning on or after 1 January 2019:

##### i) Effective for annual periods beginning on or after 1 January 2019

- Annual improvements to MFRS 2015 - 2017 cycle:-
  - Amendments to MFRS 3, Business Combinations
  - Amendments to MFRS 11, Joint Arrangements
  - Amendments to MFRS 112, Income Taxes
  - Amendments to MFRS 123, Borrowing Costs
  
- Amendments to MFRS 119, Employee Benefits: Plan Amendment, Curtailment or Settlement
  
- MFRS 16, Leases
  
- Amendments to MFRS 9, Financial Instruments: Prepayment Features with Negative Compensation
  
- Amendments to MFRS 128, Investment in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures
  
- IC Interpretation 23, Uncertainty over Income Tax Treatments

Adoption of the above MFRSs does not have any significant impact to the Group and of the Company.

#### (B) Standards issued and not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but not yet effective:

##### i) Effective for annual periods beginning on or after 1 January 2020

- Amendments to References to the Conceptual Framework in MFRS Standards:-
  - Amendments to MFRS 2 Share-based Payment
  - Amendments to MFRS 3 Business Combinations
  - Amendments to MFRS 6 Exploration for and Evaluation of Mineral Resources
  - Amendments to MFRS 14 Regulatory Deferral Accounts
  - Amendments to MFRS 101 Presentation of Financial Statements
  - Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
  - Amendments to MFRS 134 Interim Financial Reporting
  - Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets
  - Amendments to MFRS 138 Intangible Assets
  - Amendments to IC Interpretation 12 Service Concession Arrangements
  - Amendments to IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
  - Amendments to IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
  - Amendments to IC Interpretation 22 Foreign Currency Transactions and Advance Consideration
  - Amendments to IC Interpretation 132 Intangible Assets - Web Site Costs



**i) Effective for annual periods beginning on or after 1 January 2020 (Cont'd)**

- Amendments to References to the Conceptual Framework in MFRS Standards:- (Cont'd)
- Amendments to MFRS 3 Business Combinations: Definition of Business
- Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Material
  
- Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures: Interest Rate Benchmark Reform

**ii) Effective for annual periods beginning on or after 1 June 2020**

- Amendment to MFRS 16 Leases: Covid-19-Related Rent Concessions

**iii) Effective for annual periods beginning on or after 1 January 2021**

- MFRS 17 Insurance Contract

**iv) 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
- Annual improvements to MFRSs 2018 - 2020 cycle
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
- Amendments to MFRS 9 Financial Instruments
- Amendments to MFRS 16 Leases
- Amendments to MFRS 141 Agriculture
- Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract

**v) Deferred**

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

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material impact to the financial statements of the Group and of the Company.

**3 Auditors' Report**

The auditors' report on the financial statements for the year ended 31 March 2020 was not subject to any qualification.

**4 Seasonality or Cyclical Factors**

There were no material factors of a seasonal or cyclical nature which affected the operations of the Group during the current financial quarter and financial year-to-date.

**5 Unusual Items**

There were no items in the current quarter affecting assets, liabilities, equity, net income, or cash flows of the Group that are unusual because of their nature, size or incidence.

**6 Changes in Estimates**

There were no other changes in estimates of amounts reported previously, that would have had a material effect on the figures reported in the current financial year-to-date.

**7 Debt and Equity Securities**

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

**8 Dividend Payment**

There was no dividend payment made in the current quarter.

**9 Segment Information**

	<u>30-9-20</u> 3-months	<u>30-9-19</u> 3-months	<u>30-9-20</u> 6-months	<u>30-9-19</u> 6-months
	RM'000	RM'000	RM'000	RM'000
<b><u>Segment Revenue</u></b>				
Investment holding	-	-	-	-
Distribution and trading	4,990	7,139	7,347	15,073
Logistics related services	506	750	1,212	1,420
Others	262	323	505	645
Total including inter-segment sales	5,758	8,212	9,064	17,138
Elimination of inter-segment sales	(82)	(132)	(145)	(263)
<b>Total</b>	<b>5,676</b>	<b>8,080</b>	<b>8,919</b>	<b>16,875</b>
<b><u>Segment Results - Loss before tax</u></b>				
Investment holding	(24)	9,040	(28)	9,060
Distribution and trading	(14)	(1,705)	(483)	(2,045)
Logistics related services	(268)	(18)	(280)	38
Others	(232)	179	(284)	341
	(538)	7,496	(1,075)	7,394
Eliminations	231	(8,629)	317	(8,820)
<b>Total</b>	<b>(307)</b>	<b>(1,133)</b>	<b>(758)</b>	<b>(1,426)</b>

**10 Profit / (Loss) before tax**

There are no items applicable pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad other than the following :

	<u>30-9-20</u> 3-months	<u>30-9-19</u> 3-months	<u>30-9-20</u> 6-months	<u>30-9-19</u> 6-months
	RM'000	RM'000	RM'000	RM'000
Interest income	89	210	236	370
Foreign exchange loss	-	60	1	83
Depreciation and amortisation	177	(48)	351	323
Impairment of trade receivables	-	185	-	185
Property, Plant and Equipment written down	19	262	19	262
Loss on disposal of Property, Plant and Equipment	1	2	1	2

**11 Valuation of Assets**

There has been no revaluation of property, plant and equipment as the Group does not adopt a revaluation policy on the said assets.

**12 Subsequent Events**

There were no material events subsequent to the end of the financial period that have not been reflected in the financial statements for the reporting quarter.

**13 Changes in Group Composition**

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

**14 Capital Commitments**

There were no material capital commitments not provided for as at the end of the reporting quarter.

**15 Contingent Liabilities and Assets**

Corporate Guarantee given to a licensed financial institution in respect of facilities utilised by a subsidiary company as at the end of the current financial quarter amounted to RM2.503 million.



Part B - Explanatory Notes

(Appendix 9B of Listing Requirements of BMSB)

16 Review of Performance

**Quarter 2, FYE 2021 vs Quarter 2, FYE 2020 (3 months)**

For the quarter under review, the Group recorded turnover of RM5.68 million, decreased by 29.8% from RM8.08 million in the corresponding quarter in year 2019. Gross profit declined by 27.8% to RM1.34 million from RM1.85 million in line with the drop in revenue.

**Distribution and trading**

Turnover declined by 30.1% from RM7.14 million to RM4.99 million. Gross profit declined by 25.9% from RM1.60 million to RM1.18 million. Drop in turnover mainly due to cessation of loss making automotive batteries trading business, this drop was cushioned by an overall increased turnover from the Tools Division and Electric Motors Division as well as the sales contribution from the Sanitary Wares Division.

**Logistics related services**

Turnover declined by 32.5% from RM750,000 to RM506,000. Warehouse division has undergone relocation in the month of September, hence has delayed intake of new customers to facilitate smooth moving which has resulted to a lower turnover and relatively higher operational expenses closed with a gross loss position of RM24,000 during the quarter under review.

**Year-to-date 30 September 2020 vs Year-to-date 30 September 2019 (6 months)**

Group's turnover declined by 47.1% from RM16.9 million for the previous year to RM8.9 million for the current year. However, losses before tax was lower by 46.8% from RM1.43 million to RM758,000 for the current year.

**Distribution and trading**

Turnover declined by 51.3% from RM15.1 million to RM7.35 million mainly due to cessation of loss making automotive batteries trading business and slowdown in business resulted from the Covid-19 restricted movement control measures, followed by a slower recovery from Tools Division, Electric Motors Division and Sanitary Wares Division.

Nevertheless, losses before tax lower by 76.4% from RM2.05 million for the previous year to RM483,000 for the current year. Lower losses was due to saving in operational expenses following the cessation of automotive batteries trading business.

**Logistics related services**

Turnover decreased by 14.6% from RM1.42 million for the previous year to RM1.21 million for the current year mainly due to warehouse relocation. This division suffered a loss before tax of RM280,000 as compared with a profit before tax of RM38,000 in the previous year was in line with the drop in turnover, higher rental expenses and moving expenses incurred.

17 **Current Quarter vs Preceding Quarter Results**

Group's turnover increased by 75.0% to RM5.68 million for the current quarter as compared to RM3.24 million for the preceding quarter. Increased turnover from the distribution and trading division after uplifting of the Movement Control Order ("MCO") following the containment of the Covid-19 pandemic locally.

Loss before tax was lower by 31.9% to RM307,000 as compared to RM451,000 for the preceding quarter. The lower losses in the current quarter was mainly due to higher turnover generated in the current quarter under review.

18 **Commentary on Prospects**

Going forward, financial performance of the Group's business divisions continue to be challenging in view of the number of Covid-19 cases still rising globally and the current situation in Malaysia.

Group's financial performance would very much depends on the recovery pace of Malaysia economy following the various Government efforts and measures to implement key infrastructure projects as announced in Budget 2021.

The Group remains cautious and will continue to strategise to cater for embarkment of the infrastructure projects.



**19 Profit Forecast and Guarantee**

The Group has not provided any profit forecast or profit guarantee in any public document.

**20 Taxation**

	<u>30-9-20</u> 3-months	<u>30-9-19</u> 3-months	<u>30-9-20</u> 6-months	<u>30-9-19</u> 6-months
	RM'000	RM'000	RM'000	RM'000
Income tax - current year	-	-	-	95
(Over)/under-provided in prev. years	-	-	-	-
Deferred tax - originating & reversal	-	-	-	-
Change in tax rates	-	-	-	-
(Over)/under-provided in prev. years	-	-	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95</b>
<b>Profit/(loss) before taxation</b>	<b>(307)</b>	<b>(1,133)</b>	<b>(758)</b>	<b>(1,426)</b>
Tax at 24% (previous year - 24%)	(73)	(272)	(182)	(343)
Income tax (over)/under-provided in prior year	-	-	-	-
Change in tax rates	-	-	-	-
Deferred tax under/(over) prov. in prior year	-	-	40	-
Unrecognized losses brought forward (utilized)	-	-	-	-
Deferred tax asset not recognized	70	116	79	178
Effects of transactions :-	-	-	-	-
Non-deductible expenses	3	156	63	260
Income not taxable	-	-	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95</b>

The effective tax rates for the current financial quarter and period to-date were higher than the statutory rate due to certain non-deductible expenses for income tax purposes and non-recognition of deferred tax asset due to uncertainty of its recoverability.

**21 Corporate Proposals**

There were no corporate proposals announced but not completed at the latest practicable date, which is not earlier than seven days from the date of issue of this quarterly report.

**22 Group Borrowings**

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

**23 Material Litigation**

No new material litigation has arisen nor were there any material changes to any case which had been pending since the last annual balance sheet date.

**24 Dividends**

The Company did not declare any dividend during the current financial quarter.

**25 Earnings Per Share**

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	<u>30-9-20</u> 3-months	<u>30-9-19</u> 3-months	<u>30-9-20</u> 6-months	<u>30-9-19</u> 6-months
Loss attributable to ordinary equity holders of the parent (RM'000)	(307)	(1,133)	(758)	(1,521)
Weighted average number of ordinary shares in issue ('000)	449,550	449,550	449,550	449,550
Basic loss per share (sen)	(0.07)	(0.25)	(0.17)	(0.34)

By order of the Board

Boon Shi Hou  
Executive Director

Kuala Lumpur  
Date : 19 November 2020