



Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the 3rd Quarter Ended 31 December 2020

	Note	Current Quarter		Year To-date	
		<u>31-12-20</u> 3-months	<u>31-12-19</u> 3-months	<u>31-12-20</u> 9-months	<u>31-12-19</u> 9-months
		RM'000	RM'000	RM'000	RM'000
Revenue	9	6,075	7,930	14,994	24,805
Cost of sales		(4,636)	(6,105)	(11,354)	(18,806)
Gross profit		1,439	1,825	3,640	5,999
Other income		234	292	584	752
Other operating expenses		(1,626)	(2,916)	(4,709)	(8,743)
Administrative expenses		(155)	(39)	(381)	(272)
Finance costs		-	-	-	-
Loss before tax	10	(108)	(838)	(866)	(2,264)
Tax expense	20	(18)	(141)	(18)	(236)
Loss for the period		(126)	(979)	(884)	(2,500)
Other comprehensive income, net of tax		-	-	-	-
Loss and other comprehensive loss for the period		(126)	(979)	(884)	(2,500)
Loss and other comprehensive loss for the period attributable to :					
Owners of the Company		(126)	(979)	(884)	(2,500)
Basic Loss per share attributable to owners of the Company (sen)	25	(0.03)	(0.22)	(0.20)	(0.56)

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>31/12/20</u> RM'000	Audited As at <u>31/03/20</u> RM'000
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	11	15,692	15,965
Investment properties		4,215	4,322
Intangible asset		290	335
Right-of-use assets		79	269
<u>Current assets</u>			
Inventories		5,585	8,266
Trade receivables		6,875	11,543
Non-trade receivables, deposits and prepayments		1,107	1,695
Tax recoverable		574	413
Deposits with licensed financial institutions		20,662	14,101
Cash and bank balances		11,003	10,930
		<u>45,806</u>	<u>46,948</u>
TOTAL ASSETS		<u>66,082</u>	<u>67,839</u>
EQUITY AND LIABILITIES			
Share Capital	7	44,955	44,955
Retained earnings		19,379	20,263
Attributable to Equity holders of the parent		<u>64,334</u>	<u>65,218</u>
Non-controlling Interest		-	-
TOTAL EQUITY		<u>64,334</u>	<u>65,218</u>
<u>Non-current liabilities</u>			
Lease liabilities		-	22
<u>Current liabilities</u>			
Trade payables		556	871
Non-trade payables and accruals		1,109	1,460
Lease liabilities		83	255
Tax payable		-	13
		<u>1,748</u>	<u>2,599</u>
TOTAL LIABILITIES		<u>1,748</u>	<u>2,621</u>
TOTAL EQUITY AND LIABILITIES		<u>66,082</u>	<u>67,839</u>
Net assets per share (RM)		<u>0.14</u>	<u>0.15</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 3rd Quarter Ended 31 December 2020**

	Attributable to Owners of the Company			Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000		
At 1 April 2019	44,955	24,151	69,106	-	69,106
Loss and other comprehensive loss for the period	-	(2,509)	(2,509)		(2,509)
At 31 December 2019	44,955	21,642	66,597	-	66,597
At 1 April 2020	44,955	20,263	65,218	-	65,218
Loss and other comprehensive loss for the period	-	(884)	(884)	-	(884)
At 31 December 2020	44,955	19,379	64,334	-	64,334

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

	9-months <u>31/12/20</u> RM'000	9-months <u>31/12/19</u> RM'000
Cash flows from operating activities		
Loss before tax	(866)	(2,264)
Adjustments for:-		
Depreciation of property, plant and equipment	473	457
Depreciation of investment property	45	45
Amortisation of intangible asset	46	44
Depreciation of right-of use assets	191	-
Property, plant and equipment written down	164	262
(Gain)/Loss on disposal of property, plant and equipment	(131)	3
Impairment of trade receivables	-	185
Unrealised foreign exchange loss	5	39
Interest expense on lease liabilities	5	-
Interest income	(416)	(611)
Operating loss before changes in working capital	<u>(484)</u>	<u>(1,840)</u>
Inventories	2,681	1,764
Receivables	5,256	1,838
Payables	(666)	(1,111)
Cash from operations	<u>6,787</u>	<u>651</u>
Tax paid	(193)	(364)
Tax refund	17	1,377
Net cash from operating activities	<u>6,611</u>	<u>1,664</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(336)	(1,904)
Purchase of intangible asset	-	(1)
Proceeds from disposal of property, plant and equipment	142	5
Placement of fixed deposits	1,741	(5,371)
Interest received	416	611
Net cash used in investing activities	<u>1,963</u>	<u>(6,860)</u>
Cash flows from financing activities		
Repayment of lease liabilities	(191)	-
Interest on lease liabilities	(5)	-
Net cash used in financing activities	<u>(196)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	<u>8,378</u>	<u>(5,196)</u>
Cash and cash equivalents as at 1 April	<u>13,889</u>	<u>22,926</u>
Cash and cash equivalents as at end of period	<u>22,267</u>	<u>17,730</u>
Cash and cash equivalents comprise the following amounts:		
Deposits with licensed banks	11,264	6,800
Cash and bank balances	11,003	10,930
	<u>22,267</u>	<u>17,730</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

Segment Revenue

Investment holding	-
Distribution and trading	5,318
Logistics related services	577
Others	260
Total including inter-segment sales	6,155
Elimination of inter-segment sales	(80)
Total	6,075

<u>31-12-20</u> 3-months	<u>31-12-19</u> 3-months	<u>31-12-20</u> 9-months	<u>31-12-19</u> 9-months
RM'000	RM'000	RM'000	RM'000
-	-	-	-
5,318	7,079	12,665	22,152
577	727	1,789	2,147
260	140	765	785
6,155	7,946	15,219	25,084
(80)	(16)	(225)	(279)
6,075	7,930	14,994	24,805
Segment Results - Profit / (Loss) before tax			
Investment holding	16	(12)	9,128
Distribution and trading	200	(283)	(2,900)
Logistics related services	(279)	(559)	(128)
Others	(211)	(495)	368
	(274)	(1,349)	6,468
Eliminations	166	483	(8,732)
Total	(108)	(866)	(2,264)

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 :

(Income) / Expenses

Interest income	(180)
Foreign exchange (gain) / loss	(12)
Depreciation and amortisation	213
Impairment of trade receivables	-
Property, Plant and Equipment written down	145
(Gain) / Loss on disposal of Property, Plant and Equipment	(132)

<u>31-12-20</u> 3-months	<u>31-12-19</u> 3-months	<u>31-12-20</u> 9-months	<u>31-12-19</u> 9-months
RM'000	RM'000	RM'000	RM'000
(180)	(241)	(416)	(611)
(12)	(82)	(13)	(165)
213	223	564	546
-	-	-	185
145	-	164	262
(132)	1	(131)	3

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.



16 Review of Performance

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

The Group registered 23.4% lower revenue at RM6.08 million and 21.2% lower gross profit at RM1.44 million for the current quarter ended 31 December 2020 as compared to revenue of RM7.93 million and gross profit of RM1.83 million reported in the corresponding quarter in 2019.

Distribution and trading

The segment recorded 24.9% lower revenue at RM5.32 million and 16.2% lower gross profit at RM1.42 million for the current quarter as compared to revenue of RM7.08 million and gross profit of RM1.70 million reported in the corresponding quarter in 2019.

Apart for electric motors product, all the other products generated higher revenue. Fulfilment of orders in sanitary wares product and on-going marketing campaigns for hand tools and power tools have contributed to an increase of revenue.

The cessation of loss making automotive batteries trading business in the previous financial year, coupled with the Group's cost rationalisation exercise which lowered operating costs, the distribution and trading division reported a profit before tax of RM200,000 for the current quarter as compared to loss before tax of RM855,000 in the corresponding quarter last year.

Logistics related services

This segment recorded 20.6% lower revenue at RM577,000 and 68.1% higher loss before tax at RM279,000 for the current quarter as compared to revenue of RM727,000 and loss before tax of RM166,000 reported in the corresponding quarter in 2019.

The lower revenue was due to the warehouse division having yet to achieve optimum storage capacity following a relocation in the previous quarter.

Year-to-date 31 December 2020 vs Year-to-date 31 December 2019 (9 months)

The Group registered 39.6% lower revenue at RM15.0 million for the current 9 months period-to-date as compared to revenue of RM24.8 million reported in the corresponding 9 months period in the previous year.

Loss before tax decreased 61.6% to RM866,000 as compared to RM2.26 million reported in the previous year corresponding period.

Distribution and trading

Revenue recorded at 42.8% lower at RM12.7 million from RM22.1 million due to business operation obstruction following the Covid-19 outbreak and the various restricted movement control orders declared by Malaysia Government since 18 March 2020, coupled with the cessation of automotive batteries trading business in 2019.

There is a significant loss reduction of 90.2% to RM283,000 for the current 9 months period-to-date, compared to RM2.90 million reported in previous year mainly due to lower operating cost resulted from the Group's cost rationalisation exercise.

Logistics related services

Revenue recorded was 16.7% lower from RM2.15 million for the 9 months period previous year to RM1.79 million for the 9 months period-to-date mainly due to relocation of warehouse, as the new premises has yet to achieve optimum storage capacity.

Higher loss before tax of RM559,000 as compared with loss before tax of RM128,000 in the previous year was in line with the drop in turnover and one time moving related expenses.

17 Current Quarter vs Preceding Quarter Results

Revenue for the current quarter under review recorded at RM6.08 million was 87.3% higher than the preceding quarter of RM3.24 million, with increases reported for all products. Since the Recovery MCO was implemented by the Government in June 2020, the market had gradually recovered, which resulted in the distribution and trading division generating higher revenue in the reporting quarter.

Loss before tax was 63.8% lower to RM11,000 as compared to RM307,000 in 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

The Group expects the fourth quarter of this financial year to remain challenging in view of the reintroduction of MCO in the Klang Valley and a few other states as a result of the escalation of Covid-19 pandemic cases.

The Group has introduced various measures to soften the impact arising from this unprecedented event by employing alternative sales platforms such as e-commerce and social media as a collective strategy of growing its market share.

The Group will continue to monitor the situation and be alert to react vigilantly.



19 Profit Forecast and Guarantee

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

20 Taxation

	<u>31-12-20</u> 3-months	<u>31-12-19</u> 3-months	<u>31-12-20</u> 9-months	<u>31-12-19</u> 9-months
	RM'000	RM'000	RM'000	RM'000
Income tax - current year	18	144	18	239
(Over)/under-provided in prev. years	-	(3)	-	(3)
Deferred tax - originating & reversal	-	-	-	-
Change in tax rates	-	-	-	-
(Over)/under-provided in prev. years	-	-	-	-
Tax expense	18	141	18	236
Profit/(loss) before taxation	(108)	(838)	(866)	(2,264)
Tax at 24% (previous year - 24%)	(26)	(201)	(208)	(544)
Income tax (over)/under-provided in prior year	-	(3)	-	(3)
Change in tax rates	-	-	-	-
Deferred tax under/(over) prov. in prior year	(40)	-	-	-
Unrecognized losses brought forward (utilized)	-	-	-	-
Deferred tax asset not recognized	(165)	458	(86)	636
Effects of transactions :-				
Non-deductible expenses	219	(50)	282	210
Income not taxable	30	(63)	30	(63)
Tax expense	18	141	18	236

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>31-12-20</u> 3-months	<u>31-12-19</u> 3-months	<u>31-12-20</u> 9-months	<u>31-12-19</u> 9-months
Loss attributable to ordinary equity holders of the parent (RM'000)	(126)	(979)	(884)	(2,500)
Weighted average number of ordinary shares in issue ('000)	449,550	449,550	449,550	449,550
Basic loss per share (sen)	(0.03)	(0.22)	(0.20)	(0.56)

By order of the Board

Boon Shi Hou
Executive Director

Kuala Lumpur
Date : 26 February 2021