



ROHAS TECNIC BERHAD
199401016997 (302675-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 OCTOBER 2019 TO 31 DECEMBER 2019

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ROHAS TECNIC BERHAD 199401016997 (302675-A)

(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the 4th quarter ended 31 December 2019

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Period	Preceding	Variance	Current Period	Preceding	Variance
	Quarter	Period		To date	Period	
31-12-2019	Corresponding 31-12-2018	%	31-12-2019	Corresponding 31-12-2018	%	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	132,080	148,933	-11%	474,236	404,186	17%
Cost of sales	(114,668)	(139,699)		(411,757)	(346,379)	
Gross profit	17,412	9,234	89%	62,479	57,807	8%
Other income	4,792	2,484		15,866	7,530	
Distribution expenses	(720)	(343)		(1,050)	(1,652)	
Administrative expenses	(17,634)	(10,599)		(43,253)	(32,511)	
Operating profit/(loss)	3,850	776	396%	34,042	31,174	9%
Provision for liquidated and ascertained damages	-	-		-	(4,137)	
Finance costs	(1,098)	(2,308)		(7,087)	(7,977)	
Share of result of associates	1,844	(436)		1,285	(461)	
Profit/(Loss) before tax	4,596	(1,968)	-334%	28,240	18,599	52%
Tax expense	(5,667)	1,977		(9,920)	(3,337)	
Profit/(Loss) after tax	(1,071)	9	-12000%	18,320	15,262	20%
Other comprehensive income:						
Items that may not be reclassified subsequently to profit or loss:						
Remeasurement of retirement benefit obligation	40	-		40	-	
Items that may be reclassified subsequently to profit or loss:						
Unrealised currency translation differences	253	477		(56)	(925)	
Total comprehensive profit/(loss)	(778)	486	260%	18,304	14,337	28%

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Period	Preceding	Variance	Current Period	Preceding	Variance
	Quarter	Period		To date	Period	
	31-12-2019	Corresponding 31-12-2018		31-12-2019	31-12-2018	
	RM'000	RM'000	%	RM'000	RM'000	%
Profit/(Loss) after tax attributable to:						
Owners of the company	(589)	143		17,280	16,030	
Non-controlling interests	(482)	(134)		1,040	(768)	
	<u>(1,071)</u>	<u>9</u>	<u>-12000%</u>	<u>18,320</u>	<u>15,262</u>	<u>20%</u>
Total comprehensive income/(loss) attributable to:						
Owners of the company	(327)	670		17,233	15,155	
Non-controlling interests	(451)	(184)		1,071	(818)	
	<u>(778)</u>	<u>486</u>	<u>260%</u>	<u>18,304</u>	<u>14,337</u>	<u>28%</u>
Dividends per share (sen)	<u>-</u>	<u>-</u>		<u>1.50</u>	<u>1.50</u>	
Earnings per share (sen)						
Basic	(0.12)	0.03		3.66	3.39	
Diluted	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	

(The Condensed Consolidated Statements Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at Current Period To Date 31-12-2019 RM'000	Audited As at Preceding Financial Year Ended 31-12-2018 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	29,217	58,694
Right of use asset	26,852	-
Investment in an associate	46,114	3,191
Other investments	1,926	1,733
Deferred tax assets	7,776	9,649
Goodwill	7,545	7,545
	<hr/>	<hr/>
Total non-current assets	119,430	80,812
CURRENT ASSETS		
Inventories	119,379	134,653
Trade and other receivables	197,155	253,358
Amount due from contract customers	84,208	151,002
Tax recoverable	3,388	8,568
Cash and bank balances, deposits and short-term placements	65,365	60,626
	<hr/>	<hr/>
Total current assets	469,495	608,207
	<hr/>	<hr/>
TOTAL ASSETS	588,925	689,019
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owner of the Company:		
Share capital	299,484	299,484
Other reserves	(104,132)	(104,045)
Retained earnings	132,697	122,467
	<hr/>	<hr/>
	328,049	317,906
Non-controlling interests	26,227	28,721
Total equity	<hr/>	<hr/>
	354,276	346,627
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term borrowings	28,115	2,892
Deferred tax liabilities	246	143
Finance lease liabilities	1,686	1,919
Retirement benefits	2,807	2,689
	<hr/>	<hr/>
Total non-current liabilities	32,854	7,643

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at Current Period To Date 31-12-2019 RM'000	Audited As at Preceding Financial Year Ended 31-12-2018 RM'000
CURRENT LIABILITIES		
Trade and other payables	75,899	144,829
Amount due to contract customers	40,234	100,978
Borrowings	83,882	87,059
Finance lease liabilities	842	1,079
Tax payable	938	804
Total current liabilities	<u>201,795</u>	<u>334,749</u>
Total liabilities	<u>234,649</u>	<u>342,392</u>
TOTAL EQUITY AND LIABILITIES	<u>588,925</u>	<u>689,019</u>
Net Assets Per share attributable to equity holders of parent (RM)	<u>0.69</u>	<u>0.67</u>

(The Condensed Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements)

QUARTERLY REPORT

Quarterly report on consolidated results for the 4th quarter ended 31 December 2019
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	Non-distributable				Distributable		Total RM'000	Non-controlling Interests RM'000	Total RM'000
	Share Capital RM'000	Reserve upon consolidation RM'000	Fair value adjustment reserve RM'000	Foreign Currency translation reserve RM'000	Retained earnings RM'000				
Balance at 1 January 2019	299,484	(104,799)	-	754	122,467	317,906	28,721	346,627	
Foreign currency translation for foreign operations	-	-	-	(87)	-	(87)	31	(56)	
Change in ownership interests in a subsidiary	-	-	-	-	-	-	(3,565)	(3,565)	
Profit after taxation	-	-	-	-	17,280	17,280	1,040	18,320	
Remeasurement of retirement benefit obligation	-	-	-	-	40	40	-	40	
Total comprehensive income	-	-	-	(87)	17,320	17,233	(2,494)	14,739	
Dividends	-	-	-	-	(7,090)	(7,090)	-	(7,090)	
Balance at 31 December 2019	<u>299,484</u>	<u>(104,799)</u>	<u>-</u>	<u>667</u>	<u>132,697</u>	<u>328,049</u>	<u>26,227</u>	<u>354,276</u>	
Balance at 1 January 2018									
- as previously stated	299,484	(104,799)	1,297	1,629	116,288	313,899	29,628	343,527	
- Adjustment on initial application of MFRS 9, net of tax	-	-	(1,297)	-	(2,761)	(4,058)	(89)	(4,147)	
	<u>299,484</u>	<u>(104,799)</u>	<u>-</u>	<u>1,629</u>	<u>113,527</u>	<u>309,841</u>	<u>29,539</u>	<u>339,380</u>	
Foreign currency translation for foreign operations	-	-	-	(875)	-	(875)	-	(875)	
Profit after taxation	-	-	-	-	16,030	16,030	(818)	15,212	
Total comprehensive income	-	-	-	(875)	16,030	15,155	(818)	14,337	
Dividends	-	-	-	-	(7,090)	(7,090)	-	(7,090)	
Balance at 31 December 2018	<u>299,484</u>	<u>(104,799)</u>	<u>-</u>	<u>754</u>	<u>122,467</u>	<u>317,906</u>	<u>28,721</u>	<u>346,627</u>	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Unaudited As at Current Year To Date <u>31-12-2019</u> RM'000	Audited As at Preceding Financial Year Ended <u>31-12-2018</u> RM'000
OPERATING ACTIVITIES		
Profit before tax	28,240	18,599
Adjustments for non-cash movements:		
Share of results of an associate	(1,285)	461
Compensation of investment in subsidiary	(7,482)	-
Loss/(Gain) on other investments	(194)	227
Dividend income	(47)	(42)
Depreciation	7,253	7,235
Provision for liquidated and ascertained damages	-	4,137
Provision for retirement benefits	663	-
Allowance for impairment losses on receivables	13,213	1,817
Unrealised (gain)/loss in foreign exchange	1,603	(353)
Interest expense	7,087	7,977
Interest income	590	(1,625)
Gain on disposal of property, plant and equipment	(133)	(132)
	<u>49,508</u>	<u>38,301</u>
Changes in working capital:		
Contract assets/liabilities	5,828	27,312
Inventories	15,269	(17,277)
Bills payable	(14,370)	(38,501)
Receivables	50,964	59,084
Payables	(52,577)	(51,667)
Provision for retirement benefits paid	(505)	(3,141)
	<u>54,117</u>	<u>14,111</u>
Cash flow generated from operations		
Interest paid	(4,313)	(6,663)
Income Tax paid, net of refund	(2,619)	(13,743)
	<u>47,185</u>	<u>(6,295)</u>
Net cash generated from/(used in) operating activities		
INVESTING ACTIVITIES		
Acquisition of quoted investments		
Purchase of property, plant and equipment	(3,989)	(17,099)
Compensation of investment in subsidiary	3,918	-
Proceeds from disposal of property, plant and equipment	171	203
Acquisition of an associate company	(41,654)	-
Interest received	(590)	1,625
Dividend received	47	42
	<u>(42,097)</u>	<u>(15,229)</u>
Net cash used in investing activities		

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Unaudited	Audited
	As at Current Year To Date	As at Preceding Financial Year Ended
	31-12-2019	31-12-2018
	<u>RM'000</u>	<u>RM'000</u>
FINANCING ACTIVITIES		
Interest paid	(2,774)	(1,314)
Change in bank balances pledged as security	(872)	-
Repayment of hire purchase liabilities	(1,150)	(1,110)
Drawdown of bank borrowings	6,000	4,000
Dividends paid	(4,727)	(7,090)
Net cash used in financing activities	<u>(3,523)</u>	<u>(5,514)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,565	(27,038)
CASH AND CASH EQUIVALENTS BALANCE AT THE BEGINNING OF THE FINANCIAL PERIOD	38,417	67,830
FOREIGN EXCHANGE DIFFERENCES ARISING ON OPENING BALANCE	328	(2,375)
CASH AND CASH EQUIVALENTS BALANCE AT THE END OF THE FINANCIAL PERIOD	<u>40,310</u>	<u>38,417</u>
Presented by:		
Deposits with financial institution	18,871	17,999
Deposits with fund management corporation	494	465
Cash and bank balances	<u>46,000</u>	<u>42,162</u>
	65,365	60,626
Less: Bank balances pledged as security	(18,871)	(17,999)
Less: Bank overdraft	<u>(6,184)</u>	<u>(4,210)</u>
Cash and cash equivalents	<u>40,310</u>	<u>38,417</u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements)

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QUARTERLY REPORT

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A. EXPLANATORY NOTES

A1 Basis of Preparation

This interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the explanatory notes attached to the interim financial statements.

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 December 2018.

The accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2018, except for the changes in accounting policies and presentation resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial period:

MFRS effective 1 January 2019:

MFRS 16, Leases

A2 Significant Accounting Policies

A2.1 Adoption of Amendments/Improvements to MFRS

At the beginning of the current financial year, the Group adopted amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2019. The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements.

MFRS 16, Leases

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4 Determining whether an Arrangement contains a Lease, IC Interpretation 115 Operating Lease-Incentives and IC interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117.

Lease liabilities arising from the premises and equipment are recognised and discounted using the weighted average incremental borrowing rate of the Group. Subsequent to initial recognition, the Group measure the lease liabilities by increasing the carrying amount to reflect the interest on the lease liabilities, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets comprise premises and equipment. Subsequent to initial recognition, the right-of-use assets are measured at cost less any accumulated depreciation, accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The right-of-use assets are measured at an amount equal to the lease liabilities.

A3 Audit Report of Preceding Annual Financial Statements

The auditors' report for the preceding annual financial statements was not subject to any qualification.

A4 Seasonality or Cyclicity of Operations

There were no seasonality or cyclicity of operations in the current quarter under review and financial period to date.

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A. EXPLANATORY NOTES**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow in the current quarter under review and financial year-to-date, other than an amount received during the financial period in the form of cash and shares from the other shareholder of HG Power Transmission Sdn Bhd ("HGPT") amounting to RM7.4 million as a final settlement for a claim of breach of warranties under the terms of the share sale agreement for the acquisition of HGPT.

A6 Material Changes in Estimates

There were no changes in estimates of amount reported in prior financial years that have a material effect in the current quarter under review and financial year-to-date.

A7 Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter under review and financial year-to-date.

A8 Dividend Paid

No dividend was paid or declared in the current quarter under review.

The Company has declared a final single tier dividend of 1.0 sen per share in respect of the financial year ending 31 December 2018 amounting to RM4,726,576 and was paid on 28 August 2019.

A9 Segmental Reporting

Primary reporting basis - by business segment:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Period	Preceding	Current Period	Preceding
	Quarter	Period	To date	Period
	31-12-2019	Corresponding 31-12-2018	31-12-2019	Corresponding 31-12-2018
	RM'000	RM'000	RM'000	RM'000
Group Revenue (External Sales)				
Tower fabrication				
- Power Transmission	29,040	39,144	115,433	126,016
- Telecommunication	1,807	5,060	12,125	27,275
EPCC*	100,274	104,277	342,535	237,701
Other business activities	959	452	4,143	13,194
	<u>132,080</u>	<u>148,933</u>	<u>474,236</u>	<u>404,186</u>
Results				
Segment results	3,850	776	34,042	31,174
Provision for liquidated and ascertained damages	-	-	-	(4,137)
Finance costs	(1,098)	(2,308)	(7,087)	(7,977)
Share of results of Associates	1,844	(436)	1,285	(461)
	<u>4,596</u>	<u>(1,968)</u>	<u>28,240</u>	<u>18,599</u>

* EPCC refers to Engineering, Procurement, Construction and Commissioning.

A10 Carrying Amount of Revalued Assets

The Group does not have a revaluation of property, plant and equipment policy.

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A. EXPLANATORY NOTES**A11 Material Events Subsequent to the End of the Interim Period**

There is no material events subsequent to the current financial period under review.

A12 Effect of changes in the Group Composition, Long Term Investments, Restructuring and Discontinued Operations

There were no material changes in the composition of the Group in the current quarter under review and financial year-to-date including business combination, acquisition or disposal of subsidiaries and long term investment, restructuring and discontinued operation except the following:

On 10 May 2019, the Company obtained an additional 200,472 ordinary shares of HGPT from the other shareholder of HGPT as part of a final settlement under the claim of breach of warranties referred to in A5. As a result, the Company has increased its shareholding by 3.07% to 78.07% in HGPT.

On 21 May 2019, RBC Water Sdn Bhd, an indirect wholly owned subsidiary of RTB acquired 8,000,000 shares in Phu My Vinh Construction and Investment Corporation ("PMV"), representing 40% of the total shares in PMV, for a purchase consideration of VND232,000,000,000 (equivalent to approximately RM41,300,000). Effective from that date PMV is a 40% associate company of the Group.

A13 Contingent Liabilities/Assets

The following are the changes in the Group's contingent liabilities as at end of current quarter under review.

	Unaudited As at Current Period To Date 31-12-2019 RM'000	Audited As at Preceding Financial Year Ended 31-12-2018 RM'000
Unsecured Performance bond granted to third party by a subsidiary	9,079	8,794

A14 Capital Commitment

Capital expenditure of the Group not provided for as at 31 December 2019 in relation to property, plant and equipment were as follows:

	Unaudited As at Current Period To Date 31-12-2019 RM'000	Audited As at Preceding Financial Year Ended 31-12-2018 RM'000
Authorised and contracted for	1,355	1,292

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A. EXPLANATORY NOTES

A15 Significant Related Party Transactions

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Period Quarter	Preceding Period Corresponding	Current Period To date	Preceding Period Corresponding
	31-12-2019	31-12-2018	31-12-2019	31-12-2018
	RM'000	RM'000	RM'000	RM'000
Related companies:				
- sales	215	-	637	1
- rental income	56	-	171	-
- rental expenses	739	-	-	(683)

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B1 Review of Performance of the Company and its Principal Subsidiaries**

In the current quarter under review, the Group's revenue of RM132.1 million, decreased by RM16.8 million or 11.3% from the preceding corresponding quarter of RM148.9 million and recorded operating profit of RM3.9 million, increased by RM3.1 million or 387.5% from RM0.8 million in the preceding corresponding quarter. The Group reported a loss after taxation of RM1.1 million.

The Group's EPCC segment contributed a revenue of RM100.3 million in the current quarter, a decrease by RM4.0 million or 3.8% from the preceding corresponding period of RM104.3 million, which was mainly contributed from EPCC works done in Malaysia, Bangladesh and Laos, which contributed to 75.9% of total Group revenue. Revenue from tower fabrication segment of RM30.8 million, decreased by RM13.4 million or 30.3% from the preceding corresponding period of RM44.2 million, due to decrease in deliveries of towers. Revenue from other business activities amounts to RM1.0 million increased from RM0.5 million in the preceding corresponding period, mainly due to higher supply of fittings.

In the current period to date under review, the Group achieved a higher revenue by RM70.0 million or 17.3% at RM474.2 million from RM404.2 million in the preceding corresponding period and recorded an increase in operating profit by RM2.8 million or 9.0% at RM34.0 million from RM31.2 million in the preceding corresponding period. The Group reported a profit after taxation of RM18.3 million.

The Group's EPCC segment contributed to revenue of RM342.5 million, an increase by RM104.8 million or 44.1% from the preceding corresponding period of RM237.7 million, which was mainly contributed from EPCC works done in Malaysia, Bangladesh and Laos, which contributed to 72.2% of total Group revenue. Revenue from tower fabrication segment of RM127.6 million, decreased by RM25.7 million or 16.8% from the preceding corresponding period of RM153.3 million, due to decrease in deliveries of towers. Revenue from other business activities amounting to RM4.1 million reduced from RM13.2 million in the preceding corresponding period, mainly due to lesser work from fabrication of electrical substation structure.

B2 Review of Performance of the Company and its Principal Subsidiaries Compared to the Results of Immediate Preceding Quarter

	Current Period Quarter	Immediate Preceding Period Quarter	Variance
	31-12-2019	30-9-2019	
	RM'000	RM'000	%
Revenue	132,080	121,111	9.1%
Operating Profit	3,850	8,738	-55.9%
Profit Before Tax	4,596	6,369	-27.8%
Profit After Tax	(1,071)	4,284	-125.0%

The Group recorded a revenue of RM132.1 million in the current quarter, an increase of RM11.0 million or 9.1%, compared to its immediate preceding quarter's revenue of RM121.1 million. The increase in group revenue was mainly contributed by the EPCC segment that had a higher revenue recognised from the immediate preceding quarter.

In the current quarter, the Group reported a loss after tax of RM1.1 million as compared to a profit after tax of RM4.3 million in the immediate preceding quarter due to allowance for impairment losses on trade and other receivables and higher tax expense recognised in the current quarter.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B3 Group's Future Prospects**

The initiatives taken in previous year to expand the Group's businesses regionally has begun to contribute positively and will continue to broaden the Group's earnings base in the coming years. Notwithstanding potential headwinds from a slowdown in global trade, we are cautiously optimistic the Group will show healthy growth in 2020.

B4 Variance of Actual Profit from Forecast Profit

There were no profit forecasts or profit guarantees released to the public.

B5 Taxation

Tax expense comprises the following:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Period Quarter	Preceding Period Corresponding	Current Period To date	Preceding Period Corresponding
	31-12-2019	31-12-2018	31-12-2019	31-12-2018
	RM'000	RM'000	RM'000	RM'000
Current tax	3,831	2,866	8,084	8,180
(Over)/Under provision - prior year tax	(140)	1,019	(140)	1,019
Deferred tax	1,174	(4,113)	1,174	(4,113)
(Over)/Under provision - prior year deferred tax	802	(1,749)	802	(1,749)
	<u>5,667</u>	<u>(1,977)</u>	<u>9,920</u>	<u>3,337</u>
Effective tax rate	<u>123%</u>	<u>100%</u>	<u>35%</u>	<u>15%</u>

Malaysian income tax is calculated at the statutory rate of 24% of the estimated assessable profits for the financial period.

The difference in the effective tax rate as compared to the statutory rate for the individual current quarter and current period to date are mainly due to non-deductible expenses particularly from allowance for impairment losses on trade and other receivables, expected credit loss and unrecognised tax loss from a subsidiary.

B6 Status Of Corporate Proposals Announced But Not Completed

On 21 June 2019, Rohas Tecnic Berhad ("RTB") entered a Share Sale and Purchase Agreement ("SSPA") with shareholders of Global Tower Corporation (Cambodia) Pty Ltd ("GTC"), namely Mr. Alan Tay Swei Loong and Mr. Aldwin Tay Swei Leeng (collectively referred to as the "Sellers") on the acquisition of 750 Shares (Sale Shares) by RTB in GTC, representing 75% of the total shares in GTC for a purchase consideration of USD1,050,000 (equivalent to approximately RM4,368,050.00).

On 21 December 2019, RTB and GTC had mutually agreed to grant an extension of time until 21 March 2020 to enable GTC to fulfil all the obligations in relation to the Conditions Precedent.

QUARTERLY REPORT

Quarterly report on consolidated results for the 4th quarter ended 31 December 2019
The figures have not been audited.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B7 Status of corporate proposal

The total proceeds generated from the Issuance of Shares pursuant to private placement will be utilised as follows:-

Purpose	Intended Timeframe for Utilisation	Proposed Utilisation (previous) RM'000	Proposed Utilisation (revised) RM'000	Actual Utilisation up to 29-May-19 RM'000
i) Establish new facilities at Lot 5C & 5D in Bentong Pahang	12 months	5,700	5,700	5,700
ii) Project investment for Mini hydropower plant in Indonesia	12 months	5,000	5,000	5,000
iii) Establish a new fabrication facility in Indonesia	24 months	* 4,300	-	-
iv) Purchase of machinery and equipment to upgrade existing facilities in Bentong, Pahang	24 months	4,260	4,260	4,260
v) Working capital	24 months	3,000	3,000	3,000
vi) Estimated expenses for the Proposed Regularisation Plan	1 month	4,200	4,200	4,200
vii) Partial funding of the cash consideration for the purchase of HGPT	24 months	-	* 4,300	* 4,300
Total gross proceeds		<u>26,460</u>	<u>26,460</u>	<u>26,460</u>

* On 27 October 2017, the Company announced to vary the utilisation of establishment of a new fabrication facility in Indonesia to partial funding of the cash consideration for the purchase of a subsidiary.

B8 Group Cash and bank balances, deposits and short-term placements

	Unaudited As at Current Period To Date 31-12-2019 RM'000	Audited As at Preceding Financial Year Ended 31-12-2018 RM'000
Cash and bank balances, deposits and short-term placements		
- Islamic	29,120	34,249
- Conventional	<u>36,245</u>	<u>26,377</u>
	<u>65,365</u>	<u>60,626</u>
Total assets	<u>588,925</u>	<u>689,019</u>
Percentage of Conventional Cash and bank balances, deposits and short-term placements over Total Assets	<u>6%</u>	<u>4%</u>

ROHAS TECNIC BERHAD 199401016997 (302675-A)

(Incorporated in Malaysia)

QUARTERLY REPORT

Quarterly report on consolidated results for the 4th quarter ended 31 December 2019

The figures have not been audited.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**B9 Group Borrowings**

	Unaudited As at Current Period To Date			Audited As at Preceding Financial Year Ended		
	USD denomination	RM denomination	Total	USD denomination	RM denomination	Total
	31-12-2019 RM'000	31-12-2019 RM'000	31-12-2019 RM'000	31-12-2018 RM'000	31-12-2018 RM'000	31-12-2018 RM'000
Unsecured Short Term Borrowings						
Bankers acceptance	2,418	34,836	37,254	962	48,627	49,589
Short term loans	3,571	35,900	39,471	3,656	28,747	32,403
Bank overdraft	-	6,184	6,184	-	4,210	4,210
	<u>5,989</u>	<u>76,920</u>	<u>82,909</u>	<u>4,618</u>	<u>81,584</u>	<u>86,202</u>
Secured Short Term Borrowings						
Term loan	-	973	973	-	857	857
Secured Long Term Borrowings						
Term loan	-	28,115	28,115	-	2,892	2,892
Total Group Borrowings	<u>5,989</u>	<u>106,008</u>	<u>111,997</u>	<u>4,618</u>	<u>85,333</u>	<u>89,951</u>

The above borrowings of the Group are denominated in Ringgit Malaysia equivalent analysed by currencies.

	Unaudited As at Current Period To Date 31-12-2019 RM'000	Audited As at Preceding Financial Year Ended 31-12-2018 RM'000
Borrowings		
- Islamic	37,120	34,785
- Conventional	<u>74,877</u>	<u>55,166</u>
	<u>111,997</u>	<u>89,951</u>
Total Assets	<u>588,925</u>	<u>689,019</u>
Percentage of Conventional Borrowings over Total Assets	<u>13%</u>	<u>8%</u>

B10 Changes In Material Litigations

There has been no material litigation since the date of the last audited financial statements of Group as at 31 December 2018.

B11 Dividend

There is no dividend declared in the current quarter under review.

The Group has declared an interim single tier dividend of 0.5 sen per share in the immediate preceding quarter in respect of the financial year ended 31 December 2019 amounting to RM2,363,288. The entitlement date and payment date of the interim dividend was on 17 January 2020 and 31 January 2020, respectively.

QUARTERLY REPORT

Quarterly report on consolidated results for the 4th quarter ended 31 December 2019
The figures have not been audited.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B12 Earnings Per Share

(a) Basic earnings per share

Basic earnings per share of the Group is calculated as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Period Quarter 31-12-2019	Preceding Period Corresponding 31-12-2018	Current Period To date 31-12-2019	Preceding Period Corresponding 31-12-2018
Profit/(Loss) after tax attributable to the owner of the company for the period (RM'000)	(589)	143	17,280	16,030
Weighted average number of ordinary shares in issue	472,657,651	472,657,651	472,657,651	472,657,651
Basic earnings per share (sen)	<u>(0.12)</u>	<u>0.03</u>	<u>3.66</u>	<u>3.39</u>

(b) Diluted earnings per share

There was no dilution of shares.

N/A

B13 Profit/(Loss) Before Tax

Profit/(Loss) before tax has been determined after charging/(crediting), amongst other items, the following:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Period Quarter 31-12-2019	Preceding Period Corresponding 31-12-2018	Current Period To date 31-12-2019	Preceding Period Corresponding 31-12-2018
	RM'000	RM'000	RM'000	RM'000
Interest income	1,997	(265)	590	(1,625)
Realised foreign exchange loss	1,962	1,740	397	342
Interest expense	1,098	2,308	7,087	7,977
Depreciation	1,767	1,848	7,253	7,235
Allowance for impairment losses on receivables	11,617	2,905	13,213	1,817
Provision for liquidated and ascertained damages	-	-	-	4,137
Gain on disposal of property, plant and equipment	<u>(91)</u>	<u>(30)</u>	<u>(133)</u>	<u>(132)</u>

BY ORDER OF THE BOARD

Laang Jhe How
MIA 25193
Company Secretary

Dated : 28 February 2020