

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	<b>As at 31-Mar-21 (Unaudited) RM'000</b>	<b>As at 31-Dec-20 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment ("PPE")	86,202	86,715
Investment properties	8,360	8,385
Right of use assets ("ROU")	25,492	26,254
Investment in associates	19,087	20,528
Investment securities	4,279	3,010
Intangible assets	168	175
Deferred tax assets	1,484	1,473
	<u>145,072</u>	<u>146,540</u>
<b>Current assets</b>		
Inventories	176,459	179,303
Trade and other receivables	101,352	94,782
Tax recoverable	150	384
Cash and bank balances	47,190	47,716
Non-current assets held for sale	-	1,819
	<u>325,151</u>	<u>324,004</u>
<b>TOTAL ASSETS</b>	<u>470,223</u>	<u>470,544</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	99,588	99,584
Treasury shares	(3,516)	(2,404)
Reserves	1,927	(2,167)
Retained earnings	181,135	176,404
<b>Equity attributable to owners of the parent</b>	<u>279,134</u>	<u>271,417</u>
<b>Non-controlling interests</b>	42,624	41,460
<b>Total equity</b>	<u>321,758</u>	<u>312,877</u>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Bank borrowings	17,549	18,541
Lease liabilities	3,954	4,258
Deferred tax liabilities	474	475
	<u>21,977</u>	<u>23,274</u>
<b>Current liabilities</b>		
Trade and other payables	49,509	48,740
Bank borrowings	71,971	80,374
Lease liabilities	1,969	2,790
Tax payable	3,039	2,489
	<u>126,488</u>	<u>134,393</u>
<b>Total liabilities</b>	<u>148,465</u>	<u>157,667</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>470,223</u>	<u>470,544</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021****CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)**

	<b>Current quarter 3 months ended 31 March</b>		<b>Cumulative quarter 3 months ended 31 March</b>	
	<b>2021 RM '000</b>	<b>2020 RM '000</b>	<b>2021 RM '000</b>	<b>2020 RM '000</b>
<b>Revenue</b>	70,205	65,674	70,205	65,674
Operating expenses	(61,138)	(57,582)	(61,138)	(57,582)
Other income	891	146	891	146
<b>Operating profit</b>	<b>9,958</b>	<b>8,238</b>	<b>9,958</b>	<b>8,238</b>
Interest expense	(1,475)	(1,571)	(1,475)	(1,571)
Interest income	84	91	84	91
Share of results of associates	349	523	349	523
<b>Profit before tax</b>	<b>8,916</b>	<b>7,281</b>	<b>8,916</b>	<b>7,281</b>
Taxation	(2,864)	(1,970)	(2,864)	(1,970)
<b>Profit for the period</b>	<b>6,052</b>	<b>5,311</b>	<b>6,052</b>	<b>5,311</b>
<b>Profit attributable to:</b>				
Owners of the parent	4,731	4,246	4,731	4,246
Non-controlling interests	1,321	1,065	1,321	1,065
<b>Profit for the period</b>	<b>6,052</b>	<b>5,311</b>	<b>6,052</b>	<b>5,311</b>
<b>Earnings per share (“EPS”) attributable to owners of the parent (sen):</b>				
Basic EPS	3.19	2.84	3.19	2.84
Diluted EPS	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)

	Current quarter 3 months ended 31 March		Cumulative quarter 3 months ended 31 March	
	2021 RM '000	2020 RM '000	2021 RM '000	2020 RM '000
Profit for the period	6,052	5,311	6,052	5,311
<b>Other comprehensive income/(expenses), net of tax:</b>				
Currency translation differences arising from consolidation	3,811	(6,063)	3,811	(6,063)
Fair value movements on available for sale investments	283	(2,303)	283	(2,303)
<b>Total comprehensive income/(loss) for the period</b>	<b>10,146</b>	<b>(3,055)</b>	<b>10,146</b>	<b>(3,055)</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the parent	8,825	(4,120)	8,825	(4,120)
Non-controlling interests	1,321	1,065	1,321	1,065
	<b>10,146</b>	<b>(3,055)</b>	<b>10,146</b>	<b>(3,055)</b>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)**

	<b>Cumulative quarter 3 months ended 31 March</b>	
	<b>2021 RM'000</b>	<b>2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,916	7,281
Adjustments for:		
Depreciation and amortisation	1,760	1,826
Other non-cash items and non-operating items	1,260	(2,905)
Operating profit before working capital changes	11,936	6,202
Inventories	4,844	14,884
Receivables	(6,570)	7,962
Payables	769	(9,299)
Cash generated from operating activities	10,979	19,749
Interest paid	(1,475)	(1,571)
Net of tax paid	(2,008)	(2,522)
<b>Net cash from operating activities</b>	<b>7,496</b>	<b>15,656</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received	460	7
Interest received	84	91
Net of changes of investment in subsidiaries and associates	373	-
Net of purchase and disposal of investment securities	(986)	545
Net of purchase and disposal of PPE and ROU	(288)	(4,067)
<b>Net cash used in investing activities</b>	<b>(357)</b>	<b>(3,424)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(15)	-
Net of repurchase & resold of treasury shares	(1,108)	(407)
Net changes in bank borrowings	(9,439)	(6,000)
Net changes in lease liabilities	(1,095)	(35)
<b>Net cash used in financing activities</b>	<b>(11,657)</b>	<b>(6,442)</b>
<b>NET (DECREASED)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(4,518)</b>	<b>5,790</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>43,349</b>	<b>34,929</b>
Effect of foreign exchange rates changes	7,800	(2,939)
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>46,631</b>	<b>37,780</b>
<b>CASH AND CASH EQUIVALENTS COMPRISED THE FOLLOWING:</b>		
Cash and bank balances	47,190	42,000
Overdrafts	(559)	(4,220)
	<b>46,631</b>	<b>37,780</b>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THREE MONTHS ENDED 31 MARCH 2021 (UNAUDITED)**

(RM'000)	----- Non-Distributable -----				----- Distributable -----		Total	Non-controlling interests	Total equity
	----- Attributable to owners of the parent -----								
	Share capital	Treasury shares	Capital reserve	Currencies translation reserve	Fair value reserve	Retained earnings			
<b>Balance as at 1 January 2020</b>	107,891	(9,611)	892	3,233	(3,671)	167,284	266,018	37,843	303,861
Purchase of treasury shares	-	(407)	-	-	-	-	(407)	-	(407)
Total comprehensive income/(loss) for the period	-	-	-	(6,063)	(2,303)	4,246	(4,120)	1,065	(3,055)
<b>Balance as at 31 March 2020</b>	107,891	(10,018)	892	(2,830)	(5,974)	171,530	261,491	38,908	300,399
<b>Balance as at 1 January 2021</b>	99,584	(2,404)	892	1,213	(4,272)	176,404	271,417	41,460	312,877
Purchase of treasury shares	-	(1,119)	-	-	-	-	(1,119)	-	(1,119)
Disposal of treasury shares	4	7	-	-	-	-	11	-	11
Changes in equity	-	-	-	-	-	-	-	(142)	(142)
Dividend paid	-	-	-	-	-	-	-	(15)	(15)
Total comprehensive income for the period	-	-	-	3,811	283	4,731	8,825	1,321	10,146
<b>Balance as at 31 March 2021</b>	99,588	(3,516)	892	5,024	(3,989)	181,135	279,134	42,624	321,758

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**
**NOTES TO THE INTERIM FINANCIAL REPORT**
**- SELECTED EXPLANATORY NOTES UNDER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 – INTERIM FINANCIAL REPORTING**
**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in compliance with MFRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020. These 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 year ended 31 December 2020.

**A2 Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2020 save for the following new MFRSs and amendments to MFRSs.

	<b>Description</b>	<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 16	Covid-19-Related Rent Concessions	1 June 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment- Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The adoption of the above standards and interpretations do not have material impact to the financial statements of the Group upon their initial application.

**A3 Seasonal or cyclical factors**

The Group performance is not materially affected by seasonal or cyclical factors.



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**A4 Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial period-to-date.

**A5 Changes in estimates**

There were no changes in estimates that have material effect in the current quarter and financial period-to-date results.

**A6 Debt and equity securities**

There were no issuances and repayments of debt and equity securities during financial period ended 31 March 2021 save for shares buy back and resold of treasury shares.

At the Annual General Meeting held on 28 July 2020, the Company's shareholders approved the renewal of authority to repurchase its own shares. During the financial year period 31 March 2021, the Company repurchased of 734,200 own shares. The details of resold shares are as follows: -

	<b>RM'000</b>
Disposal value	11
Cost of shares	<u>(7)</u>
Gain on disposal	<u>4</u>

As at 31 March 2021, a total of 2,994,210 treasury shares, representing 1.99% of the issued and paid-up share capital of the Company are being held as treasury shares and carried at cost at RM3.516 million.

**A7 Dividend paid**

No dividend had been paid under the financial period under review.

**A8 Material post balance sheet events**

There were no material events subsequent to the end of the financial year ended 31 March 2021 as at the date of this report.

**A9 Changes in the composition of the Group**

There were no changes in the composition of the Group during the financial period ended 31 March 2021 save for on 9 February 2021, Unimech Engineering (M) Sdn. Bhd. ("UME(M)"), a wholly-owned subsidiary of the Company has disposed 75% equity interest in Inventive Potentials Sdn. Bhd. ("IPSB") for total cash consideration of RM487,500 ("the Disposal"). After the Disposal, IPSB shall cease to be a subsidiary company of UME(M).

**A10 Changes in contingent liabilities or contingent assets**

There were no material changes in the contingent liabilities for the Group since the last financial year ended 31 December 2020.

**A11 Capital commitments**

No material capital commitments as at 31 March 2021.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**
**NOTES TO THE INTERIM FINANCIAL REPORT**
**- ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LISTING REQUIREMENTS**
**B1 Financial review for current quarter and financial period-to-date**

	Individual Period			Cumulative Period		
	Current Period Quarter 31-Mar-21 RM'000	Preceding Year Corresponding Quarter 31-Mar-20 RM'000	Changes RM'000 / %	Current Period to Date 31-Mar-21 RM'000	Preceding Year Corresponding Period 31-Mar-20 RM'000	Changes RM'000 / %
Revenue	70,205	65,674	4,531 / 6.9%	70,205	65,674	4,531 / 6.9%
Profit before tax	8,916	7,281	1,635 / 22.5%	8,916	7,281	1,635 / 22.5%

**Current quarter and financial period-to-date**

The Group reported a revenue of RM70.205 million for the current quarter ended 31 March 2021 which was RM4.531 million or 6.9% higher as compared to the preceding year corresponding quarter ended 31 March 2020 of RM65.674 million. A higher revenue reported was due to higher demand from valves, instruments & fittings and pump business particularly from Malaysian market.

The Group recorded a profit before tax of RM8.916 million for the current quarter which was RM1.635 million or 22.5% higher as compared to preceding year corresponding quarter of RM7.281 million. The increase in profit before tax was in line with the increase in revenue.

**B2 Financial review for current quarter compared with immediate preceding quarter**

	Current Quarter 31-Mar-21 RM'000	Immediate Preceding Quarter 31-Dec-20 RM'000	Changes RM'000 / %
Revenue	70,205	69,177	1,028 / 1.5%
Profit before tax	8,916	4,949	3,967 / 80.1%

The Group reported RM1.028 million or 1.5% increase in the revenue for the current quarter ended 31 March 2021 as compared to preceding quarter due to higher demand from valves, instruments and fittings business. The profit before tax in current quarter increased by 80.1% or RM3.967 million. The significant increase in profit before tax was due mainly to the higher expenses incurred and higher impairment in assets in preceding quarter coupled with the increase in revenue in current quarter.

**B3 Overall review of group's financial performance**

No material changes of the major components of the statement of profit and loss and other comprehensive income, statement of financial position as well as statement of cash flow reported by the Group for the year ended 31 March 2021 compared to preceding year corresponding year ended 31 March 2020.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**
**B4 Segment information**
**By business segment as at 31 March 2021**

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	55,494	2,595	7,568	4,548	-	70,205
Inter-segment revenue	8,254	2,231	1,656	6	(12,147)	-
<b>Total revenue</b>	<b>63,748</b>	<b>4,826</b>	<b>9,224</b>	<b>4,554</b>	<b>(12,147)</b>	<b>70,205</b>
<b>Segment results</b>	<b>9,185</b>	<b>187</b>	<b>764</b>	<b>203</b>	<b>(381)</b>	<b>9,958</b>
Interest expense						(1,475)
Interest income						84
Share of results of associates						349
Profit before tax						8,916
Tax expense						(2,864)
Profit after tax						6,052
Non-controlling interests						(1,321)
Profit attributable to owners of the parent for financial period ended 31 March 2021						<u>4,731</u>
Segment assets	531,476	15,736	32,640	98,992	(208,621)	470,223
Segment liabilities	152,191	21,847	17,968	49,772	(93,313)	148,465

**By business segment as at 31 March 2020**

	Valves, instruments and fittings RM'000	Electronic RM'000	Pumps RM'000	All others RM'000	Elimination RM'000	Total RM'000
Revenue from external customers	53,352	3,211	5,023	4,088	-	65,674
Inter-segment revenue	6,417	1,453	709	11	(8,590)	-
<b>Total revenue</b>	<b>59,769</b>	<b>4,664</b>	<b>5,732</b>	<b>4,099</b>	<b>(8,590)</b>	<b>65,674</b>
<b>Segment results</b>	<b>8,241</b>	<b>(39)</b>	<b>308</b>	<b>1</b>	<b>(273)</b>	<b>8,238</b>
Interest expense						(1,571)
Interest income						91
Share of results of associates						523
Profit before tax						7,281
Tax expense						(1,970)
Profit after tax						5,311
Non-controlling interests						(1,065)
Profit attributable to owners of the parent for financial period ended 31 March 2020						<u>4,246</u>
Segment assets	521,796	17,340	28,662	95,026	(209,176)	453,648
Segment liabilities	161,910	23,062	14,636	86,272	(132,631)	153,249



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**B5 Commentary on prospects for 2021**

The business activities and economy in Malaysia and countries that the Group has operation are expected to be impacted by the Covid-19 pandemic for year 2021. Amid the challenges faced, the Group remains focused to meet market demand for the valves, instruments and fittings. At the same time, the Group will continue with its competitive strategies to strengthen and grow further on its own brands to enhance its market positioning and concentrate on improving its operations efficiency and expand the products range.

Barring any unforeseen circumstances, the Board of Directors is of the view that the Group shall report an improved performance for the financial year ending 31 December 2021.

**B6 Profit forecast**

Not applicable as no profit forecast was published.

**B7 Income tax expense**

	<b>Current quarter 3 months ended 31-Mar-21 RM'000</b>	<b>Cumulative quarters 3 months ended 31-Mar-21 RM'000</b>
Current period provision	2,876	2,876
Deferred tax	<u>(12)</u>	<u>(12)</u>
	<u>2,864</u>	<u>2,864</u>

The effective tax rate for current quarter and cumulative quarters are higher than the statutory tax rate was due to non-tax allowable expenses and losses of certain subsidiary companies cannot be used to offset against profit of other companies in the Group.

**B8 Status of corporate proposals and status of utilisation of proceeds raised**

There was no corporate proposal being carried out during the period under review.

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**
**B9 Group borrowings and debt securities**
**Total borrowings as at 31 March 2021**

	Long term		Short term		Total borrowings	
	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000
<b>Secured</b>						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	559	-	559
Revolving credits	-	-	-	21,618	-	21,618
Term loans	-	17,384	-	2,081	-	19,465
Trade lines	-	-	-	13,052	-	13,052
	-	17,384	-	37,310	-	54,694
<i>Indonesia Rupiah @ 0.000285</i>						
Term loans	579,692	165	381,745	109	961,437	274
Revolving credits	-	-	108,115,442	30,813	108,115,422	30,813
		165	108,497,187	30,922	109,076,859	31,087
<b>Total secured</b>		<b>17,549</b>		<b>68,232</b>		<b>85,781</b>
<b>Unsecured</b>						
<i>Indonesia Rupiah @ 0.000285</i>						
Revolving credits	-	-	10,200,400	2,907	10,200,400	2,907
<i>Thai Baht @ 0.132460</i>						
Trade lines	-	-	6,282	832	6,282	832
<b>Total unsecured</b>		<b>-</b>		<b>3,739</b>		<b>3,739</b>
<b>Total borrowings</b>		<b>17,549</b>		<b>71,971</b>		<b>89,520</b>

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**
**B9 Group borrowings and debt securities (continue)**
**Total borrowings as at 31 March 2020**

	Long term		Short term		Total borrowings	
	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000	Foreign Currencies '000	Ringgit Malaysia '000
<b>Secured</b>						
<i>Ringgit Malaysia @ 1.000</i>						
Bank overdrafts	-	-	-	4,220	-	4,220
Revolving credits	-	-	-	29,870	-	29,870
Term loans	-	18,417	-	3,057	-	21,474
Trade lines	-	-	-	12,493	-	12,493
	-	18,417	-	49,640	-	68,057
<i>Indonesia Rupiah @ 0.000264</i>						
Term loans	950,377	251	355,821	94	1,306,198	345
Revolving credits	-	-	112,945,462	29,818	112,945,462	29,818
	950,377	251	113,301,283	29,912	114,251,660	30,163
<b>Total secured</b>		<b>18,668</b>		<b>79,552</b>		<b>98,220</b>
<b>Unsecured</b>						
<i>Indonesia Rupiah @ 0.000264</i>						
Revolving credits	-	-	11,456,907	3,025	11,456,907	3,025
<i>Thai Baht @ 0.131394</i>						
Trade lines	-	-	2,210	290	2,210	290
<b>Total unsecured</b>		-		<b>5,159</b>		<b>5,159</b>
<b>Total borrowings</b>		<b>18,668</b>		<b>82,867</b>		<b>101,535</b>

**B10 Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk as at the date of this report.

**B11 Changes in material litigation**

The Group is not engaged in any material litigation as at the date of this report.

**B12 Dividend**

The Board of Directors proposed a final single tier dividend of 2.0 sen per share in respect of the financial year ended 31 December 2020. The proposed dividend payment is amounting to RM2.970 million if based on the issued and paid-up capital as at 31 December 2020 of 148,501,500 ordinary shares (excluding treasury shares held by the Company). The proposed dividend is subject to the shareholders' approval at the forthcoming Annual General Meeting.



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**B13 Earnings per share (“EPS”)**

**Basic EPS**

The basic EPS had been calculated by dividing the Group’s profit for the year attributable to owner of the parent by the weighted average number of shares in issue.

	<b>Current quarter 3 months ended 31-Mar-21</b>	<b>Cumulative quarters 3 months ended 31-Mar-21</b>
Profit for the period (RM’000)	6,052	6,052
Profit attributable to non-controlling interests (RM’000)	(1,321)	(1,321)
<b>Profit attributable to owners of the parent (RM’000)</b>	<b>4,731</b>	<b>4,731</b>
<b>Weighted average number of ordinary shares in issue (’000)</b>	<b>148,167</b>	<b>148,167</b>
<b>Basic EPS (sen)</b>	<b>3.19</b>	<b>3.19</b>

**Diluted EPS**

Not applicable as there are no dilutive potential ordinary shares.

**B14 Auditors’ report on preceding annual financial statements**

The auditors’ report of the annual financial statements for the financial year ended 31 December 2020 was not subject to any qualification.

**B15 Notes to Condensed Consolidated Income Statements on Other Income/Expenses**

	<b>Current quarter 3 months ended 31-Mar-21 RM’000</b>	<b>Cumulative quarter 3 months ended 31-Mar-21 RM’000</b>
<b>Profit before tax is arrived at after charging/(crediting):-</b>		
Allowance for impairment of inventories	400	400
Depreciation & amortisation	1,760	1,760
Dividend income	460	460
Gain on disposal of property, plant & equipment	27	27
Interest expense	1,475	1,475
Interest income	84	84
Loss on foreign exchange – realised	296	296
Rental income	226	226



**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**B16 Foreign Exchange Exposure**

The Group incurs foreign currency risk on transactions that are denominated in foreign currencies. The currencies giving rise to this risk are primarily the United States Dollar, Singapore Dollar, Thai Bath, Chinese Renminbi, and Euro. The Group has not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group will apply nature hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by the Management.

**B17 Trade Receivables**

- i. Trade receivables are non-interest bearing and are generally on 30 days to 120 days term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- ii. Analysis of the trade receivables ageing is as follow:

	<b>As at 31-Mar-21 (Unaudited) RM'000</b>	<b>As at 31-Dec-20 (Audited) RM'000</b>
Neither past due nor impaired	40,466	39,327
<u>Pass due but not impaired</u>		
Less than 30 days	17,622	17,126
31 days to 60 days	13,730	13,343
More than 61 days	9,000	8,747
	<u>40,352</u>	<u>39,216</u>
Impaired	80,818	78,543
	<u>4,986</u>	<u>4,986</u>
	<u>85,804</u>	<u>83,529</u>

As at 31 March 2021, trade receivables of RM40.352 million were past due but not impaired. These related to a number of independent customers from whom there is no recent history of default. The management is in an opinion that all the trade receivables are collectible. Thus, no further impairment is required.

- iii. No material impairment in trade receivables was recognised during the financial period ended 31 March 2021.

**B18 Impairment of Assets**

No material impairment of assets recognised as a loss in the statement of profit and loss and other comprehensive income for the financial period ended 31 March 2021.

By order of the Board

Sim Yee Fuan  
Executive Director

**Dated this 28 May 2021**