

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The figures have not been audited

	Note	Individual Period (4th quarter)		Cumulative Period	
		Current Quarter Ended	Corresponding Quarter Ended	Current Year Ended	Corresponding Year Ended
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		63,149	58,956	227,523	216,316
Cost of sales		(39,184)	(39,153)	(148,721)	(142,294)
Gross profit		23,965	19,803	78,802	74,022
Administrative and operating expenses		(7,967)	(7,328)	(36,392)	(36,527)
Other operating income		1,126	1,545	9,536	8,781
Results from operating activities		17,124	14,020	51,946	46,276
Finance costs		-	(33)	-	(333)
Share of profit of equity-accounted associate, net of tax		12	6	50	95
Profit before tax		17,136	13,993	51,996	46,038
Tax expense	22	(277)	544	(1,192)	(1,324)
Profit for the period/year		16,859	14,537	50,804	44,714
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Net change in fair value of equity investments designated at fair value through other comprehensive income ("FVOCI")		412	211	127	676
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(670)	(326)	(414)	(154)
Other comprehensive income for the period/year, net of tax		(258)	(115)	(287)	522
Total comprehensive income for the period/year		16,601	14,422	50,517	45,236

	Individual Period (4th quarter)		Cumulative Period	
	Current Quarter Ended 31/12/2020	Corresponding Quarter Ended 31/12/2019	Current Year Ended 31/12/2020	Corresponding Year Ended 31/12/2019
	RM'000	RM'000	RM'000	RM'000
Profit attributable to :				
Owners of the Company	16,859	14,537	50,804	44,714
Profit for the period/year	16,859	14,537	50,804	44,714
Total comprehensive income attributable to :				
Owners of the Company	16,601	14,422	50,517	45,236
Total comprehensive income for the period/year	16,601	14,422	50,517	45,236
Earnings per ordinary share (sen)	26			
- Basic	2.52	2.17	7.59	6.68
- Diluted	2.52	2.17	7.59	6.68

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Group's audited Financial Statements as at 31 December 2019. The accompanying notes are an integral part of this Statement.

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020

Condensed Consolidated Statement of Financial Position

The figures have not been audited

	Note	As at 31/12/2020 RM'000	As at 31/12/2019 RM'000
Assets			
Property, plant and equipment	21	96,988	118,503
Investment property		6,336	6,593
Investment in an associate		5,493	5,443
Other investments		10,923	10,210
Deferred tax assets		319	213
Total non-current assets		120,059	140,962
Inventories		5,652	8,301
Current tax assets		675	954
Trade receivables	23	42,064	38,129
Other receivables, deposits and prepayments		1,575	3,195
Cash and cash equivalents		163,664	146,236
Total current assets		213,630	196,815
Total assets		333,689	337,777
Equity			
Share capital		186,463	186,463
Reserves			
Capital reserve		41	41
Fair value reserve		871	719
Translation reserve		2,463	2,877
Retained earnings		107,263	106,692
Total equity attributable to owners of the Company		297,101	296,792
Liabilities			
Deferred income		-	2,053
Total non-current liabilities		-	2,053
Loans and borrowings	24	-	4,128
Deferred income		399	-
Current tax liabilities		109	28
Trade payables		5,096	5,398
Other payables and accruals		30,984	29,378
Total current liabilities		36,588	38,932
Total liabilities		36,588	40,985
Total equity and liabilities		333,689	337,777
Net assets per share (RM)		0.44	0.44

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited Financial Statements as at 31 December 2019. The accompanying notes are an integral part of this Statement.

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020

Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	← Attributable to owners of the Company →					Total equity RM'000
	Share capital RM'000	Capital reserve RM'000	Fair value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	
12 months ended 31/12/2020						
At 1 January 2020	186,463	41	719	2,877	106,692	296,792
Foreign currency translation differences for foreign operations	-	-	-	(414)	-	(414)
Net change in fair value of equity investment designated at FVOCI	-	-	127	-	-	127
Total other comprehensive income/(expense) for the year	-	-	127	(414)	-	(287)
Profit for the year	-	-	-	-	50,804	50,804
Total comprehensive income/(expense) for the year	-	-	127	(414)	50,804	50,517
Contributions by and distributions to owners of the Company						
Dividends to owners of the Company	-	-	-	-	(50,208)	(50,208)
Total transactions with owners of the Company	-	-	-	-	(50,208)	(50,208)
Transfer upon the disposal of equity investment designated at FVOCI	-	-	25	-	(25)	-
At 31 December 2020	186,463	41	871	2,463	107,263	297,101

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020

Condensed Consolidated Statement of Changes in Equity

The figures have not been audited

	← Attributable to owners of the Company →						Total equity RM'000
	← Non-distributable			→ Distributable			
	Share capital RM'000	Share option reserve RM'000	Capital reserve RM'000	Fair Value reserve RM'000	Translation reserve RM'000	Retained earnings RM'000	
12 months ended 31/12/2019							
At 1 January 2019	185,772	2,500	41	87	3,031	109,714	301,145
Foreign currency translation differences for foreign operations	-	-	-	-	(154)	-	(154)
Net change in fair value of equity investment designated at FVOCI	-	-	-	676	-	-	676
Total other comprehensive income/(expense) for the year	-	-	-	676	(154)	-	522
Profit for the year	-	-	-	-	-	44,714	44,714
Total comprehensive income/(expense) for the year	-	-	-	676	(154)	44,714	45,236
Contributions by and distributions to owners of the Company							
Issuance of new ordinary shares pursuant to Employees Share Option Scheme 2014 ("ESOS 2014")	602	-	-	-	-	-	602
Dividends to owners of the Company	-	-	-	-	-	(50,191)	(50,191)
Total transactions with owners of the Company	602	-	-	-	-	(50,191)	(49,589)
Transfer to share capital for share options exercised	89	(89)	-	-	-	-	-
Transfer to retained earnings for share options expired	-	(2,411)	-	-	-	2,411	-
Transfer upon the disposal of equity investment designated at FVOCI	-	-	-	(44)	-	44	-
At 31 December 2019	186,463	-	41	719	2,877	106,692	296,792

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited Financial Statements as at 31 December 2019. The accompanying notes are an integral part of this Statement.

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020

Condensed Consolidated Statement of Cash Flows

The figures have not been audited

		12 months ended 31/12/2020	12 months ended 31/12/2019
	Note	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax from continuing operations		51,996	46,038
Adjustments for:-			
Depreciation of property, plant and equipment		40,482	37,842
Depreciation of investment property		257	257
Plant and equipment written off		13	50
Impairment loss on:			
- property, plant and equipment		708	1,028
- trade receivables		-	169
- goodwill		-	10
Gain on disposal of property, plant and equipment	21	(1,274)	(74)
Interest income		(2,633)	(3,449)
Amortisation of deferred income		(1,654)	(1,985)
Share of profit of equity-accounted associate, net of tax		(50)	(95)
Interest expense		-	333
Unrealised loss on foreign exchange for loans and borrowings		-	63
Operating profit before changes in working capital		87,845	80,187
Change in inventories		2,649	4,294
Change in trade and other receivables		(2,314)	33,049
Change in trade and other payables		1,304	(6,214)
Cash generated from operations		89,484	111,316
Tax paid		(938)	(466)
Net cash generated from operating activities		88,546	110,850
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	21	(20,645)	(16,909)
Acquisition of other investments	8	(5,024)	(2,436)
Proceeds from disposal of:			
- property, plant and equipment		2,231	81
- other investments	8	4,356	1,071
Interest received		2,633	3,449
Acquisition of a subsidiary, net of cash and cash equivalents acquired		-	27
Net cash used in investing activities		(16,449)	(14,717)

12 months ended 31/12/2020 RM'000	12 months ended 31/12/2019 RM'000
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CASH FLOWS FROM FINANCING ACTIVITIES

Dividends paid to owners of the Company	(50,208)	(50,191)
Repayment of other borrowings, net	(4,128)	(20,877)
Proceeds from issue of ordinary shares	-	602
Interest paid	-	(333)
Net cash used in financing activities	(54,336)	(70,799)
Net increase in cash and cash equivalents	17,761	25,334
Effect of exchange rate fluctuations on cash held	(333)	(105)
Cash and cash equivalents as at 1 January	146,236	121,007
Cash and cash equivalents as at 31 December	163,664	146,236

Cash and cash equivalents

Cash and cash equivalents included in the Condensed Consolidated Statement of Cash Flows comprise :

Funds placed with financial institutions:

- Short term investment funds	66,565	65,500
- Short term deposits	31,493	26,941
Cash and bank balances	65,606	53,795
	163,664	146,236

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited Financial Statements as at 31 December 2019. The accompanying notes are an integral part of this Statement.

GLOBETRONICS TECHNOLOGY BHD

Registration No. 199601037932 (410285-W)

INTERIM REPORT FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020

Notes to the condensed consolidated interim financial statements

1. Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting in Malaysia, requirements of the Companies Act 2016 ("CA 2016") and paragraph 9.22 and Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR").

They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2019.

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 financial year ended 31 December 2019.

2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2019.

New and revised MFRSs and IC Interpretations below that are relevant and came into effect for accounting periods beginning on or after 1 January, 2020 did not have any significant impact to the unaudited consolidated financial statements upon their initial application:-

- Amendments to MFRS 3, *Business Combinations - Definition of a 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 Instrument*, MFRS 139, *Financial Instruments: Recognition and Measurement* and MFRS 7, *Financial Instruments: Disclosures - Interest Rate Benchmark Reform*

3. Audit Report of Preceding Annual Financial Statements

The auditors' report of the Group's most recent annual audited financial statements for the year ended 31 December 2019 was unmodified.

4. Changes in Estimates

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that was applied to the financial statements as at and for the year ended 31 December 2019.

There were no changes in estimates of amounts reported in the prior financial periods that have a material effect in the current quarter/year.

5. Comparative Figures

Certain comparative figures have been reclassified to conform with current period/year's presentation.

6. **Material Impairment of Assets**

During the year, the Group assessed the recoverable amount of a number of assets related to the manufacturing of certain product lines. Based on the assessment, the recoverable amount of the assets were lower than the carrying amount. Therefore, an impairment loss of RM0.7 million (2019: RM1 million) in relation to the assets was recognised in the accounts.

7. **Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

During the financial period/year under review, there were no items affecting assets, liabilities, equity, net income, or cash flow that are unusual because of their nature, size, or incidence.

8. **Quoted Securities and Bond**

There were purchases and disposal of quoted investments during the financial year under review, as disclosed below:-

	12 months ended
	31/12/2020
	RM'000
Purchases	5,024
Sales	4,356

9. **Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year to date.

10. **Debt and Equity Securities**

There were no issuance and repayments of debt and equity securities, share buy back, shares held as treasury stocks and resale of treasury shares for the financial year to date.

11. **Changes in Contingent Liabilities**

The Group has issued corporate guarantees to financial institutions for banking facilities granted to certain subsidiaries up to a limit of RM31.3 million of which RM3.6 million has been utilized as at 31 December 2020, a decrease of RM4.2 million as compared to 31 December 2019.

12. Operating Segments

The Group's operating segment comprises of only one key business activities, which is the manufacture, assembly, testing and sales of integrated circuits, chip carrier quartz crystal products, optoelectronic products, LED lighting system, LED components and modules, small outline components, sensors and optical products and technical plating services for the semiconductor and electronics industries.

The Group's geographical segmental report for the financial year-to-date is as follows:-

Analysis By Geographical Segments

12 months ended 31/12/2020

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit before taxation	47,132	1,531	700	49,363
Revenue from external customer	214,415	11,145	1,963	227,523

12 months ended 31/12/2019

	South East Asia RM'000	North America RM'000	Others RM'000	Group RM'000
Segment profit before taxation	41,112	1,518	292	42,922
Revenue from external customer	201,084	14,374	858	216,316

	31/12/2020 RM'000	31/12/2019 RM'000
Reconciliation of segment profit:-		
Reportable segments	49,363	42,922
Finance costs	-	(333)
Interest income	2,633	3,449
Consolidated profit before taxation	51,996	46,038
Tax expense	(1,192)	(1,324)
Consolidated profit after taxation	50,804	44,714

13. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel, defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

The Group has related party relationship with:-

- i) Subsidiaries and associate of the Company as disclosed in Note 5 and Note 6 of the audited Consolidated Financial Statements of the Group as at and for the year ended 31 December 2019;
- ii) Key management personnel; and
- iii) Companies in which a Director, Mr. Ng Kweng Chong is deemed to have substantial financial interest:
 - Ng Kweng Chong Holdings Sdn. Bhd. (Registration No: 197901007294 (51580 - M))
 - Wiserite Sdn. Bhd. (Registration No: 199601038240 (410593 - W))
 - Glencare Sdn. Bhd. (Registration No: 200101013301 (549058 - U))

Significant related party transactions are as follows:-

	12 months ended 31/12/2020 RM'000
i) Transactions with an associate	
<i>NGK Globetronics Technology Sdn Bhd</i>	
Rental of investment property	2,508
Provision of management support services	<u>137</u>

14. Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the balance sheet date.

15. Seasonal/Cyclical Factors

The business operations of the Group are not affected by any major seasonal or cyclical factors other than the volatility of the customers' demand which is inherent in the industry that we operate in.

16. Dividends Paid

A third interim single tier ordinary dividend of 1 sen (2019: 1 sen) per share and a single tier special dividend of 2 sen (2019: 2 sen) per share, totalling RM20.1 million (2019: RM20.1 million) in respect of the financial year ended 31 December 2019 was paid on 26 March 2020 to Depositors who are registered in the Record of Depositors of the Company on 16 March 2020.

A first interim single tier ordinary dividend of 1 sen (2019: 1 sen) per share and a single tier special dividend of 1 sen (2019: 1 sen) per share, totalling RM13.4 million (2019: RM13.4 million) in respect of the financial year ended 31 December 2020 was paid on 2 July 2020 to Depositors who are registered in the Record of Depositors of the Company on 18 June 2020.

A second interim single tier ordinary dividend of 1 sen (2018: 1 sen) per share and a single tier special dividend of 1.5 sen (2018: 1.5 sen) per share, totalling RM16.7 million (2018: RM16.7 million) in respect of the financial year ended 31 December 2020 was paid on 3 December 2020 to Depositors who are registered in the Record of Depositors of the Company on 18 November 2020.

17. Overall Review of Group's Financial Performance And Segmental Analysis

Financial review for current quarter and financial year to date

	Individual Period (4th quarter)			Cumulative Period		
	Current Quarter Ended	Corresponding Quarter Ended	Changes	Current Year Ended	Corresponding Year Ended	Changes
	31/12/2020	31/12/2019		31/12/2020	31/12/2019	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	63,149	58,956	7	227,523	216,316	5
Operating Profit	17,124	14,020	22	51,946	46,276	12
Profit Before Interest and Tax	17,136	14,026	22	51,996	46,371	12
Profit Before Tax	17,136	13,993	22	51,996	46,038	13
Profit After Tax	16,859	14,537	16	50,804	44,714	14
Profit Attributable to Owners of the Company	16,859	14,537	16	50,804	44,714	14

The Group's revenue and net profit for the quarter under review was RM63.1 million and RM16.8 million, an increase of 7% and 16% respectively as compared to RM59 million and RM14.5 million in the corresponding quarter ended 31 December 2019.

The higher net profit achieved in the current quarter was mainly due to higher volume loadings achieved from certain of the Group's customers.

For the year under review, the Group recorded a higher revenue and net profit of RM227.5 million and RM50.8 million as compared to RM216.3 million and RM44.7 million respectively in last year (increase of 5% and 14% respectively). South East Asia segment recorded sales increase as compared to last year.

The higher revenue and net profit achieved in the current year were mainly due to higher volume loadings and better economy of scale achieved from certain of the Group's customers.

18. Material Changes in the Quarterly Results Compared to the Results of the Immediate Preceding Quarter

	Current Quarter Ended	Immediate Preceding Quarter Ended	Changes
	31/12/2020	30/9/2020	
	RM'000	RM'000	%
Revenue	63,149	65,542	-4
Operating Profit	17,124	18,136	-6
Profit Before Interest and Tax	17,136	18,133	-5
Profit Before Tax	17,136	18,133	-5
Profit After Tax	16,859	18,034	-7
Profit Attributable to Owner of the Company	16,859	18,034	-7

The Group's revenue for the quarter under review was RM63.1 million, a decrease of 4% from the preceding quarter of RM65.5 million while the net profit after tax of the Group for the quarter was RM16.8 million, a decrease of 6% from the preceding quarter of RM18 million.

The lower revenue and net profit were mainly due to:-

- i) Lower volume loadings from certain of the Group's customers; and
- ii) Impairment loss on plant and equipment of RM0.7 million incurred in the quarter.

19. **Prospects**

The Group's financial performance may continue to be impacted by the Covid-19 outbreak and the disruption of economic activities arising from continuous changes in the implementation of MCO, lockdown or stay at home order depending on the number of infected Covid-19 cases. The Group has taken strong initiative to mitigate the exposure and disruption in the supply chain.

Based on our customers' recent forecast and guidance, the Group is optimistic of achieving satisfactory financial performance for Year 2021.

20. **Variance of Actual Profit from Forecast Profit**

Not Applicable.

21. **Property, Plant and Equipment**

The carrying amount of land and buildings has been brought forward, without amendment from the previous audited financial statements.

(a) Acquisitions

During the year ended 31 December 2020, the Group acquired property, plant and equipment with a cost of RM20.6 million (Year ended 31 December 2019: RM12 million).

(b) Capital commitments

As at 31 December 2020, the Group has entered into contracts to purchase property, plant and equipment for RM1.2 million (Year ended 31 December 2019: RM0.8 million).

(c) Disposals

Assets with a carrying amount of RM0.9 million were disposed of during the year ended 31 December 2020 (Year ended 31 December 2019: RM7K), resulting in a gain on disposal of RM1.3 million (Year ended 31 December 2019: gain of RM74K), which is included as other operating income in the income statement.

There were no amendments to the valuation of property, plant and equipment brought forward.

22. **Tax Expense**

		3 months ended		12 months ended	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
		RM'000	RM'000	RM'000	RM'000
Current tax expense					
Malaysia	- current period/year	332	(602)	1,301	1,165
	- prior year	51	(528)	(3)	(527)
		<u>383</u>	<u>(1,130)</u>	<u>1,298</u>	<u>638</u>
Deferred tax expense					
Malaysia	- current period/year	(106)	586	(106)	686
		<u>277</u>	<u>(544)</u>	<u>1,192</u>	<u>1,324</u>

The effective tax rate of the Group is lower than the statutory tax rate in the year ended 31 December 2020 mainly due to tax incentives enjoyed by a subsidiary in the Group.

23. **Trade Receivables**

The age analysis of trade receivables is as follow:-

	Current Quarter Ended 31/12/2020 RM'000	Corresponding Quarter Ended 31/12/2019 RM'000
Current (not past due)	39,605	36,579
1-30 days past due	2,386	1,547
31-60 days past due	69	3
Above 60 days past due	4	471
	2,459	2,021
Credit Impaired		
Individually impaired	-	(471)
	<u>42,064</u>	<u>38,129</u>

The Group is satisfied that recovery of the amount is possible, therefore there is no impairment for past due trade receivables.

24. **Loans and borrowings**

Loans and borrowings denominated in foreign currency:-

	As at 31/12/2020		As at 31/12/2019	
	USD'000	RM'000 Equivalent	USD'000	RM'000 Equivalent
Current				
Revolving credits - unsecured	-	-	1,000	4,128
Total loans and borrowings	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>4,128</u>

The revolving credits are backed by a corporate guarantee of the Company and was fully repaid in January 2020.

25. **Profit Before Tax**

Profit before tax is arrived at after charging/(crediting):-

	Current Quarter Ended 31/12/2020 RM'000	Corresponding Quarter Ended 31/12/2019 RM'000	Current Year To-date Ended 31/12/2020 RM'000	Corresponding Year To-date Ended 31/12/2019 RM'000
Depreciation of property, plant and equipment	11,467	13,907	40,482	37,842
Depreciation of investment property	64	64	257	257
Property, plant and equipment written off	11	50	13	50
Impairment loss on plant and equipment	708	495	708	1,028
(Reversal of)/Inventories written down	(380)	74	(380)	74
Rental expenses	395	419	1,559	1,712
Rental income	(1,001)	(891)	(3,964)	(3,123)
Amortization of deferred income	(403)	(456)	(1,654)	(1,985)
Gain on disposal of property, plant and equipment	(904)	-	(1,274)	(74)
Interest income	(572)	(868)	(2,633)	(3,449)
Interest expense	-	33	-	333
Loss/(gain) on foreign exchange – realised	1,215	161	32	(373)
Loss on foreign exchange – unrealised	606	402	542	107

26. Earnings Per Ordinary Share ("EPS")

(i) Basic earnings per ordinary share

		3 months ended		12 months ended	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net profit for the period/year	(RM'000)	16,859	14,537	50,804	44,714
Issued ordinary shares at beginning of the period/year	('000)	669,445	669,033	669,445	669,033
Effect of shares issued during the period/year	('000)	-	207	-	207
Weighted average number of ordinary shares	('000)	669,445	669,240	669,445	669,240
Basic earnings per ordinary share	(sen)	2.52	2.17	7.59	6.68

(ii) Diluted earnings per ordinary share

		3 months ended		12 months ended	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net profit for the period/year	(RM'000)	16,859	14,537	50,804	44,714
Issued ordinary shares at beginning of the period/year	('000)	669,445	669,033	669,445	669,033
Effect of shares issued during the period/year	('000)	-	207	-	207
Weighted average number of ordinary shares (diluted)		669,445	669,240	669,445	669,240
Diluted earnings per ordinary share	(sen)	2.52	2.17	7.59	6.68

27. Corporate Proposals

- (a) There were no corporate proposals by the Company during the financial period to date except for the establishment of a new Employees Share Option Scheme (ESOS) to the eligible directors and employees, to subscribe for up to ten per cent of the total and issued paid up capital of the Company.

All requisite approvals had been obtained from Bursa Malaysia Securities Berhad and an Extraordinary General Meeting had been held on 22 July 2020 to approve all the said resolutions pertaining to the ESOS.

That the effective date of implementation of the Company's Employees Share Option Scheme be fixed on 03 August 2020.

- (b) There were no unutilised proceeds raised from corporate proposals by the Company during the financial year to date.

28. Changes In Material Litigation

To date, the Company has no material litigation case pending.

29. Foreign Currency Risk Management

The Group is exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the respective functional currencies of the Group entities. The currency giving rise to this risk is primarily the U.S. Dollar ("USD").

The Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

30. Dividends Declared

The Board of Directors has declared a second interim single tier ordinary dividend of 1 sen (2019: 1 sen) per share and a single tier special dividend of 1.5 sen (2019: 1.5 sen) per share, totalling RM16.7 million (2019: RM16.7 million) in respect of the financial year ended 31 December 2020 to Depositors who are registered in the Record of Depositors of the Company on 11 November 2020.

The above interim dividend was paid on 3 December 2020 as disclosed in Note 16 of this announcement.

By Order of the Board

Lee Peng Loon (MACS 01258)
P'ng Chiew Keem (MAICSA 7026443)

Joint Secretaries

Dated this 24 February 2021