

UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD/YEAR ENDED

31 DECEMBER 2019

(THE FIGURES HAVE NOT BEEN AUDITED)

	Current Quarter Ended 31/12/2019 RM'000	Comparative Quarter Ended 31/12/2018 RM'000	12 Months Cumulative To Date 31/12/2019 RM'000	Audited Comparative 12 Months Cumulative To Date 31/12/2018 RM'000
<u>Continuing Operations</u>				
Revenue	3,115,661	2,679,356	11,739,145	11,303,649
Operating Expenses	(3,080,382)	(2,707,048)	(11,533,573)	(11,139,729)
Other Operating Income	39,835	110,574	127,068	171,268
Profit From Operations	75,114	82,882	332,640	335,188
Share Of Results Of Associates And Joint Ventures	64,590	100,378	291,584	270,690
Investment Income	16,433	21,454	68,303	85,690
Other Gains	188,144	-	188,144	207,036
Profit Before Interest	344,281	204,714	880,671	898,604
Finance Costs	(32,610)	(53,528)	(125,884)	(98,271)
Profit Before Taxation And Zakat	311,671	151,186	754,787	800,333
Taxation And Zakat	(21,896)	(11,437)	(108,680)	(124,113)
Profit For The Period/Year From Continuing Operations	289,775	139,749	646,107	676,220
<u>Discontinued Operations</u>				
Loss For The Period/Year From Discontinued Operations	(16,854)	(45,260)	(17,370)	(176,269)
Profit For The Period/Year	272,921	94,489	628,737	499,951
<u>Other Comprehensive Income/(Loss):</u>				
<u>Continuing Operations</u>				
Translation Of Foreign Operations	(62,158)	(6,407)	(33,190)	(3,458)
Share Of Other Comprehensive Income of Associates	310	3,618	978	3,618
Cash Flow Hedge	(38)	29	(33)	(1)
Other Comprehensive (Loss)/Income Net of Tax From Continuing Operations	(61,886)	(2,760)	(32,245)	159
<u>Discontinued Operations</u>				
Other Comprehensive Income/(Loss) Net of Tax From Discontinued Operations	76,335	(6,399)	29,675	(29,666)
Other Comprehensive Income/(Loss) Net Of Tax	14,449	(9,159)	(2,570)	(29,507)
Total Comprehensive Income For The Period/Year	287,370	85,330	626,167	470,444

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(THE FIGURES HAVE NOT BEEN AUDITED)

	Current Quarter Ended 31/12/2019 RM'000	Comparative Quarter Ended 31/12/2018 RM'000	12 Months Cumulative To Date 31/12/2019 RM'000	Audited Comparative 12 Months Cumulative To Date 31/12/2018 RM'000
<u>Profit/(Loss) For The Period/Year Attributable To:</u>				
Owners Of The Company From:				
- Continuing Operations	208,118	81,006	447,247	515,437
- Discontinued Operations	(7,658)	(63,075)	7,197	(170,918)
	<u>200,460</u>	<u>17,931</u>	<u>454,444</u>	<u>344,519</u>
Holdings of Perpetual Sukuk:				
- Continuing Operations	34,830	35,403	69,659	35,403
	<u>34,830</u>	<u>35,403</u>	<u>69,659</u>	<u>35,403</u>
Non-Controlling Interests From:				
- Continuing Operations	46,827	23,339	129,201	125,380
- Discontinued Operations	(9,196)	17,816	(24,567)	(5,351)
	<u>37,631</u>	<u>41,155</u>	<u>104,634</u>	<u>120,029</u>
	<u>272,921</u>	<u>94,489</u>	<u>628,737</u>	<u>499,951</u>
<u>Total Comprehensive Income/(Loss) Attributable To:</u>				
Owners Of The Company From:				
- Continuing Operations	140,289	81,063	413,625	521,726
- Discontinued Operations	68,678	(69,474)	36,873	(200,584)
	<u>208,967</u>	<u>11,589</u>	<u>450,498</u>	<u>321,142</u>
Holdings of Perpetual Sukuk:				
- Continuing Operations	34,830	35,403	69,659	35,403
	<u>34,830</u>	<u>35,403</u>	<u>69,659</u>	<u>35,403</u>
Non-Controlling Interests From:				
- Continuing Operations	52,770	20,523	130,578	119,250
- Discontinued Operations	(9,197)	17,815	(24,568)	(5,351)
	<u>43,573</u>	<u>38,338</u>	<u>106,010</u>	<u>113,899</u>
	<u>287,370</u>	<u>85,330</u>	<u>626,167</u>	<u>470,444</u>
Basic/(Diluted) EPS For The Period (Sen)				
- Continuing Operations	17.81	6.93	38.28	44.12
- Discontinued Operations	(0.66)	(5.40)	0.62	(14.63)
	<u>17.15</u>	<u>1.53</u>	<u>38.90</u>	<u>29.49</u>

(These Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) AS AT 31/12/2019 RM'000	(AUDITED) AS AT 31/12/2018 RM'000
ASSETS		
Non-Current Assets		
Property, Plant And Equipment	2,756,761	2,820,924
Investment Properties	206,121	220,901
Land Use Rights	401	468
Leased Assets	357,947	336,673
Other Receivables	20,343	32,136
Investments In Associates	1,866,402	1,792,383
Investments In Joint Ventures	54,870	48,627
Deferred Tax Assets	135,160	131,951
Other Investments	2,499	7,106
Right-Of-Use Assets	104,436	-
	<u>5,504,940</u>	<u>5,391,169</u>
Current Assets		
Inventories	1,589,567	1,548,507
Trade Receivables	1,242,966	960,413
Other Receivables	207,536	122,991
Other Investments	1,071,881	1,133,856
Derivative Assets	5,598	7,613
Deposits, Cash And Bank Balances	1,472,111	1,311,764
	<u>5,589,659</u>	<u>5,085,144</u>
Non-Current Assets Held For Sale	53,240	281,682
	<u>5,642,899</u>	<u>5,366,826</u>
	<u>11,147,839</u>	<u>10,757,995</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity Attributable To The Equity Holders Of The Company		
Share Capital	584,147	584,147
Capital Reserve	396	396
Foreign Currency Translation Reserve	(38,074)	(16,793)
Hedging Reserve	(33)	-
Fair value reserve	4,596	3,618
Retained Profits	3,141,615	2,773,269
	<u>3,692,647</u>	<u>3,344,637</u>
Perpetual Sukuk	1,097,860	1,097,860
Non-Controlling Interests	1,303,888	1,271,946
Total Equity	<u>6,094,395</u>	<u>5,714,443</u>
Non-Current Liabilities		
Provision For Warranties	216,647	223,186
Deferred Tax Liabilities	39,094	26,859
Long Term Borrowings	2,123,422	2,298,249
Lease Liabilities	56,408	-
	<u>2,435,571</u>	<u>2,548,294</u>
Current Liabilities		
Provision For Warranties	61,138	40,027
Taxation	31,400	55,752
Short Term Borrowings	386,361	534,486
Bank Overdrafts	-	475
Trade Payables	941,326	832,868
Other Payables	1,152,091	1,021,179
Derivative Liabilities	2,901	881
Liabilities Associated With Assets Held For Sale	5,049	9,590
Lease Liabilities	37,607	-
	<u>2,617,873</u>	<u>2,495,258</u>
Total Liabilities	<u>5,053,444</u>	<u>5,043,552</u>
TOTAL EQUITY AND LIABILITIES	<u>11,147,839</u>	<u>10,757,995</u>
Net Assets Per Share (RM)	3.1607	2.8628

(These Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)

(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	←----- Non - Distributable ----->					Distributable				
	Share Capital RM'000	Fair value Reserve RM'000	Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000	Total RM'000	Perpetual Sukuk RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
12 MONTHS ENDED 31 DECEMBER 2019										
At 1 January 2019	584,147	3,618	396	(16,793)	-	2,773,269	3,344,637	1,097,860	1,271,946	5,714,443
Transactions with owners										
Dividends distributed to equity holders	-	-	-	-	-	(75,939)	(75,939)	-	(96,237)	(172,176)
Effects of loss of control in a subsidiary	-	-	-	(16,390)	-	(10,159)	(26,549)	-	22,169	(4,380)
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	-	-	(69,659)	-	(69,659)
Total comprehensive income/(loss)	-	978	-	(4,891)	(33)	454,444	450,498	69,659	106,010	626,167
At 31 December 2019	584,147	4,596	396	(38,074)	(33)	3,141,615	3,692,647	1,097,860	1,303,888	6,094,395

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	←----- Non - Distributable ----->					Distributable				
	Share Capital RM'000	Fair value Reserve RM'000	Capital Reserve RM'000	Foreign Currency Translation Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000	Total RM'000	Perpetual Sukuk RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
12 MONTHS ENDED 31 DECEMBER 2018										
At 1 January 2018	584,147	-	396	10,201	1	2,452,503	3,047,248	-	1,131,182	4,178,430
Transactions with owners										
Acquisition of non-controlling interests	-	-	-	-	-	(741)	(741)	-	(1,361)	(2,102)
Dividend distributed to equity holders	-	-	-	-	-	(58,415)	(58,415)	-	(64,645)	(123,060)
Effect of loss of control in a subsidiary	-	-	-	-	-	-	-	-	(7,739)	(7,739)
Issuance of ordinary share by subsidiary	-	-	-	-	-	-	-	-	100,610	100,610
Distribution to holders of Perpetual Sukuk	-	-	-	-	-	35,403	35,403	(35,403)	-	-
Issuance of perpetual sukuk	-	-	-	-	-	-	-	1,097,860	-	1,097,860
Total comprehensive income/(loss)	-	3,618	-	(26,994)	(1)	344,519	321,142	35,403	113,899	470,444
At 31 December 2018	584,147	3,618	396	(16,793)	-	2,773,269	3,344,637	1,097,860	1,271,946	5,714,443

(These Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

UMW HOLDINGS BERHAD

(COMPANY NO : 90278-P)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	12 Months Ended 31/12/2019 RM'000	12 Months Ended 31/12/2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Taxation And Zakat From:		
Continuing operations	754,787	800,333
Discontinued operations	(13,560)	(175,270)
	741,227	625,063
Adjustments For:		
Depreciation and amortisation	346,168	281,911
Amortisation of financial guarantee contracts	-	(2,603)
Net impairment/(reversal of impairment) losses on:		
- property, plant and equipment	860	37,630
- investment properties	-	600
- leased assets	178	239
- receivables	(5,797)	(11,050)
- investments in joint ventures	-	(59,104)
- investments in associates	(11,055)	20,454
Reversal of inventories written down	(26,715)	(35,078)
Interest expense from:		
- Continuing operations	125,884	98,271
- Discontinued operations	3,974	16,311
Share of results of associates and joint ventures from:		
- Continuing operations	(291,584)	(270,690)
- Discontinued operations	15,849	60,032
Gain on disposal of property, plant and equipment	(26,715)	(24,099)
Gain on disposal of non-current assets held for sale	(219,956)	-
Gain on favourable rental rates	(11,319)	-
Net unrealised foreign exchange/fair value (gain)/loss	(6,936)	49,309
Write down to fair value less cost to sell on investment in associates	-	31,900
Reversal of provision for financial guarantee	-	(207,036)
Loss on sale of investment	20,318	10,292
Interest and dividend income from other investments	(74,143)	(85,690)
Property, plant and equipment written off	508	6,345
Others	21,111	113,602
Operating Profit Before Working Capital Changes	601,857	656,609
Changes in receivables	(174,101)	(39,944)
Changes in inventories	(41,507)	(76,378)
Changes in provision for warranties	(1,438)	(57,235)
Changes in payables	156,715	(30,517)
Cash Generated From Operating Activities	541,526	452,535
Interest paid	(133,475)	(139,170)
Taxes and zakat paid	(129,630)	(138,977)
Net Cash Generated From Operating Activities	278,421	174,388
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash outflow on acquisition of additional shares	-	(2,527)
Net cash inflow arising from disposal of a subsidiary	(9,290)	134,616
Dividends received	195,428	136,356
Purchase of property, plant and equipment	(345,495)	(915,026)
Proceeds from disposal of property, plant and equipment	63,563	62,268
Proceeds from disposal of asset held for sale	442,724	-
Interest received	73,077	93,244
Proceed from disposal of other investments	1,321,232	1,727,500
Purchase of other investments	(1,251,181)	(1,558,276)
Withdrawal of deposits	(353)	2,316
Placement of deposits pledged with banks	1,762	854
Net Cash Generated From/(Used In) Investing Activities	491,467	(318,675)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to equity holders of the Company	(75,939)	(58,415)
Dividend paid to non-controlling interests	(96,237)	(64,645)
Proceeds from issuance of perpetual sukuk	-	1,100,000
Perpetual sukuk distribution paid	(69,659)	(35,403)
Payment for lease liabilities	(18,440)	-
Net (repayment)/drawdown of loans and borrowings	(322,500)	77,658
Net Cash (Used In)/Generated From Financing Activities	(582,775)	1,019,195
NET INCREASE IN CASH AND CASH EQUIVALENTS	187,113	874,908
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY	1,315,236	1,181,469
EFFECTS OF EXCHANGE RATE CHANGES	(26,731)	(741,141)
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	1,475,618	1,315,236

(These Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes attached to these interim Financial Statements)

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”)

Basis of preparation

The interim financial statements have been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. 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 year ended 31 December 2018.

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group’s audited financial statements for the financial year ended 31 December 2018, except for the newly-issued MFRS and amendments to standards to be applied by all Entities Other Than Private Entities for the financial periods beginning on or after 1 January 2019.

Adoption of Amendments and Annual Improvements to Standards

The Group has adopted the following Amendments and Annual Improvements to Standards, with a date of initial application of 1 January 2019 -

- MFRS 9 Prepayment Features with Negative Compensation (Amendments to MFRS 9)
- MFRS 16 Leases
- MFRS 128 Long-term Interests in Associates and Joint Ventures (Amendments to MFRS 128)
- Annual Improvements to MFRS Standards 2015 – 2017 Cycle
- MFRS 119 Plan Amendment, Curtailment or Settlement (Amendments to MFRS 119)
- IC Interpretation 23 Uncertainty over Income Tax Treatments

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group, other than as disclosed below -

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)

Adoption of Amendments and Annual Improvements to Standards (Cont’d)

a. MFRS 16: Leases

MFRS 16 supersedes MFRS 117 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard 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.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted MFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

The Group elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (‘short-term leases’), and lease contracts for which the underlying asset is of low value (below USD5,000).

The effect of adoption MFRS 16 as at 1 January 2019 is as follows:

	<u>RM'000</u>
<u>Assets</u>	
Right-of-use assets	<u>65,047</u>
<u>Liabilities</u>	
Lease liabilities	<u>65,047</u>

a) **Nature of the effect of adoption of MFRS 16**

The Group has lease contracts for various items of land, buildings, plant and equipment, and other assets. Before the adoption of MFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rental expense in the statement of profit or loss on a straight-line basis over the lease term.

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)

Adoption of Amendments and Annual Improvements to Standards (Cont’d)

a. MFRS 16: Leases (Cont’d)

a) **Nature of the effect of adoption of MFRS 16 (Cont’d)**

Upon adoption of MFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group as further detailed below:

- ***Leases previously accounted for as operating leases***

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

- ***The Group also applied the available practical expedients wherein it:***

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
- Elected not to separate lease and non-lease components for classes of assets.

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)

Adoption of Amendments and Annual Improvements to Standards (Cont’d)

a. MFRS 16: Leases (Cont’d)

b) **Summary of new accounting policies**

Set out below are the new accounting policies of the Group upon adoption of MFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. For the measurement of the right-of-use assets at the time of first-time application, initial direct costs were not taken into account, in accordance with MFRS 16.C10(d). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees, and the exercise price of a purchase option reasonably certain to be exercised by the Group, and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. A single discount rate was used for a portfolio of leases with reasonably similar characteristics as a practical expedient applied by the Group. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)

Adoption of Amendments and Annual Improvements to Standards (Cont’d)

a. MFRS 16: Leases (Cont’d)

b) Summary of new accounting policies (Cont’d)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of premises, plant and equipment, stockyard and motor vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (below USD5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgements applied

The lease term determined by the Group comprises non-cancellable period of lease contracts, any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms of 1 to 30 years. Judgements are applied in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. The Group uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of certain premises, plant and equipment due to the significance of these assets to its operations.

Standards issued but not yet effective

At the date of authorisation of the Condensed Report, the following Standards, Amendments and Annual Improvements to Standards were issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group –

Effective for financial periods beginning on or after 1 January 2020

- Amendments to MFRS 3 Business Combinations (Definition of a Business)
- Amendments to MFRS 101 Presentation of Financial Statements (Definition of Material)
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 9 Financial Instruments (Interest Rate Benchmark Reform)

NOTE 1 - Significant accounting policies and application of Malaysian Financial Reporting Standards (“MFRS”) (Cont’d)

Effective for financial periods beginning on or after 1 January 2020 (Cont’d)

- Amendments to MFRS 139 Financial Instruments: Recognition and Measurement
- Amendments to MFRS 7 Financial Instruments: Disclosures

Effective for financial periods beginning on or after 1 January 2021

- MFRS 17 Insurance Contracts

MFRSs, Interpretations and Amendments effective for a date yet to be confirmed

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

** The effective date of these Standards has been deferred, and has yet to be announced by MASB.*

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statements on the above pronouncements.

NOTE 2 - Seasonal or Cyclical Factors

During the financial period, the businesses of the Group were not affected by any significant seasonal or cyclical factors.

NOTE 3 - Exceptional Items

There were no material items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review that were unusual because of their nature, size or incidence, except for one-off gain on land disposals amounting to RM188.1 million in current quarter.

NOTE 4 - Accounting Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior years that have a material effect in the current interim period.

NOTE 5 - Issuance or Repayment of Debt and Equity Securities

There were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the year ended 31 December 2019.

NOTE 6 - Dividends Paid

Dividend for the financial year ended 31st December 2019 –

- A special dividend of 4.0 sen per share in respect of financial year ended 31 December 2019 amounting to RM46.7 million was paid on 23 December 2019.

Dividend for the financial year ended 31st December 2018 –

- A final single-tier dividend of 2.5 sen per share in respect of financial year ended 31 December 2018 amounting to RM29.2 million was paid on 16 May 2019.

NOTE 7 - Segmental Reporting

Business Segment	Financial Year Ended 31 December 2019		
	Revenue RM'000	Profit/(Loss) Before Taxation RM'000	Profit/(Loss) Attributable to Owners of the Company RM'000
Automotive	9,295,874	530,302	374,805
Equipment	1,408,164	135,677	87,757
Manufacturing & Engineering	1,062,549	60,922	30,546
Others	(27,442)	(160,258)	(164,346)
Sub-total	11,739,145	566,643	328,762
Other Gains	-	188,144	188,144
Less : Profit attributable to Holders of Perpetual Sukuk	-	-	(69,659)
Total From Continuing Operations	11,739,145	754,787	447,247
Oil & Gas (Unlisted)	21,059	(13,560)	7,197
Total From Discontinued Operations	21,059	(13,560)	7,197
CONSOLIDATED TOTAL	11,760,204	741,227	454,444

Following the Group's decision to exit from the oil and gas industry, the Oil & Gas (Unlisted) segment had been classified as a disposal group since 31 December 2017. The assets of the disposal group have since been presented as "Assets held for sale" and the liabilities of the disposal group presented as "Liabilities associated with assets held for sale". The financial performance of the disposal group is classified as "Discontinued Operations" as it represents a separate major line of business that the Group is exiting from.

NOTE 7 - Segmental Reporting (Cont'd)

The results of the Discontinued Operations are as follows:

	Twelve Months Ended 31/12/2019 RM'000	Twelve Months Ended 31/12/2018 RM'000
Revenue	21,059	72,391
Operating Expenses	(43,159)	(177,721)
Other Operating Income	11,901	6,332
Loss From Operations	(10,199)	(98,998)
Finance Costs	(3,974)	(16,311)
Share Of Results Of Associates And Joint Ventures	-	(60,032)
Investment Income	613	71
Loss Before Taxation And Zakat	(13,560)	(175,270)
Taxation And Zakat	(3,810)	(999)
Loss For The Period From Discontinued Operations	(17,370)	(176,269)
Net Cash Flows:		
Operating activities	28,786	292,763
Investing activities	380	12,941
Financing activities	-	(552,114)
	29,166	(246,410)

Other than the above, there has been no other material increase in total assets compared to the last annual financial statements.

NOTE 8 - Subsequent Material Events

In the opinion of the directors, there has been no material event or transaction since the end of current financial period to the date of this announcement which substantially affects the results of the Group for the financial year ended 31 December 2019.

NOTE 9 - Changes in Composition of the Group

- a. The Company had on 11 January 2019 announced that it has entered into a Share Sale and Purchase Agreement (“SSPA”) with Mr Paul Anthony Montague (“Mr Montague), an Australian citizen, for the disposal by the Company of 1,410,601 shares, representing 100% of the issued and paid-up capital of UMW Australia Venture (L) Ltd (“UAV”) to Mr Montague for a purchase price of AUD2.00.

Following completion of the SSPA on 5 February 2019, UAV, together with its subsidiaries listed below ceased to be subsidiaries of UMW Group –

Name of Company	Place of Incorporation
PFP Holdings Pty Ltd PFP (Aust) Holdings Pty Ltd PFP (Aust) Pty Ltd Australasia Piping Products Pty Ltd	Australia
PFP (Malaysia) Sdn Bhd	Malaysia
PFP Singapore Pte Ltd	Singapore
PFP (Shenzhen) Piping Material Co, Ltd (in liquidation)	The People’s Republic of China

- b. The winding up of the following subsidiaries were completed on the following dates:

Date	Company
21 March 2019	UMW Marine and Offshore Pte Ltd
25 July 2019	UMW China Ventures (L) Ltd UMW Offshore Investment (L) Ltd
3 September 2019	UMW Australia Ventures Sdn Bhd
3 December 2019	UMW (Sarawak) Sdn Bhd
10 February 2020	Kelang Pembena Kereta2 Sdn Bhd

- c. The winding up of the following subsidiaries has commenced on the following dates:

Date	Company
5 December 2019	UMW SG Engineering Sdn Bhd UMW SG Power Systems Sdn Bhd
13 December 2019	KYB-UMW Steering Malaysia Sdn Bhd

NOTE 10 - Capital Commitments

The Group's capital commitments as at 31 December 2019 is as follows:

	RM'000	RM'000
<u>Approved and contracted for:</u>		
Land and buildings	17,207	
Equipment, plant and machinery	53,843	
Others	<u>11,418</u>	82,468
<u>Approved but not contracted for:</u>		
Land and buildings	27,193	
Equipment, plant and machinery	188,558	
Others	<u>50,523</u>	266,274
Total		<u>348,742</u>

NOTE 11 - Significant Related Party Transactions

In the opinion of the directors, save for recurrent related party transactions ("RPTs") mandated by shareholders at the 36th Annual General Meeting on 23 May 2019, there were no other significant RPTs.

NOTE 12 - Classification of Financial Assets

Save for those assets or investments classified as Held For Sale arising from Discontinued operations, there were no changes to the classification of financial assets for the period under review.

NOTE 13 - Changes in Contingent Liabilities and Contingent Assets

Contingent liabilities of the Group are as follows:

	As at 31/12/2019 RM'000	As at 31/12/2018 RM'000
Performance bonds in favour of third parties	<u>12,320</u>	<u>10,010</u>

NOTE 14 - Review of Performance

Current Quarter Ended 31 December 2019

	Revenue			Profit/(Loss) Before Taxation		
	Quarter ended 31/12/2019 RM'000	Quarter ended 31/12/2018 RM'000	Variance %	Quarter ended 31/12/2019 RM'000	Quarter ended 31/12/2018 RM'000	Variance %
CONSOLIDATED TOTAL	3,123,924	2,684,198	16.4%	297,836	106,250	>100%
Total From Continuing Operations	3,115,661	2,679,356	16.3%	311,671	151,186	>100%
Business Segment:						
Automotive	2,449,969	2,043,610	19.9%	114,869	130,330	-11.9%
Equipment	328,031	397,244	-17.4%	27,274	33,880	-19.5%
Manufacturing & Engineering	328,543	242,808	35.3%	30,001	9,400	>100%
Others	9,118	(4,306)	>100%	(48,617)	(22,424)	>(100%)
Other Gains	-	-	-	188,144	-	>100%
Total From Discontinued Operations	8,263	4,842	70.7%	(13,835)	(44,936)	69.2%
Oil & Gas (Unlisted)	8,263	4,842	70.7%	(13,835)	(44,936)	69.2%

Group

Group revenue from Continuing Operations of RM3,115.7 million for the quarter ended 31 December 2019 was higher than the RM2,679.4 million reported in the quarter ended 31 December 2018 (“corresponding quarter”). The increase in revenue was mainly due to higher sales in the Automotive and Manufacturing & Engineering businesses.

Group profit before taxation (“PBT”) from Continuing Operations of RM311.7 million was higher than the RM151.2 million in the corresponding quarter, mainly due to a one-off gain for land disposals of RM188.1 million in the current quarter.

In line with the planned exit of Discontinued Operations – Oil & Gas (Unlisted), the segment reported a lower loss of RM13.8 million, compared to the RM44.9 million loss incurred in the corresponding quarter.

Automotive Segment

Revenue of RM2,450.0 million was 19.9% higher than the RM2,043.6 million reported in the corresponding quarter, mainly due to a higher number of vehicles sold in the current quarter.

PBT of RM114.9 million was lower than the RM130.3 million in the corresponding quarter, mainly attributable to a lower share of profit from an associate in the current quarter.

Equipment Segment

Revenue of RM328.0 million was lower than the RM397.2 million in the corresponding quarter. Both Heavy and Industrial Equipment businesses reported lower revenue following sluggish demand in the current quarter.

PBT of RM27.3 million was lower than the RM33.9 million profit reported in the corresponding quarter, in line with the lower revenue in the current quarter.

NOTE 14 - Review of Performance (Cont'd)

Current Quarter Ended 31 December 2019 (Cont'd)

Manufacturing & Engineering Segment

Revenue of RM328.5 million was higher than the RM242.8 million reported in the corresponding quarter, mainly due to a higher volume of fan cases delivered by its Aerospace sub-segment and increased demand for some of its other products.

PBT of RM30.0 million was higher than the RM9.4 million in the corresponding quarter following the increase in revenue and benefits gained from cost optimization efforts in the current quarter.

Twelve Months Ended 31 December 2019

	Revenue			Profit/(Loss) Before Taxation		
	Twelve Months Ended 31/12/2019 RM'000	Twelve Months Ended 31/12/2018 RM'000	Variance %	Twelve Months Ended 31/12/2019 RM'000	Twelve Months Ended 31/12/2018 RM'000	Variance %
CONSOLIDATED TOTAL	11,760,204	11,376,040	3.4%	741,227	625,063	18.6%
Total From Continuing Operations	11,739,145	11,303,649	3.9%	754,787	800,333	-5.7%
Business Segment:						
Automotive	9,295,874	8,946,735	3.9%	530,302	549,968	-3.6%
Equipment	1,408,164	1,539,647	-8.5%	135,677	160,135	-15.3%
Manufacturing & Engineering	1,062,549	843,157	26.0%	60,922	21,536	>100%
Others	(27,442)	(25,890)	-6.0%	(160,258)	(138,342)	-15.8%
Other Gains	-	-	-	188,144	207,036	-9.1%
Total From Discontinued Operations	21,059	72,391	-70.9%	(13,560)	(175,270)	92.3%
Oil & Gas (Unlisted)	21,059	72,391	-70.9%	(13,560)	(175,270)	92.3%

Group

Group revenue from Continuing Operations for the year ended 31 December 2019 of RM11,739.1 million was higher than the RM11,303.6 million recorded in the year ended 31 December 2018 ("prior year"), mainly due to higher revenue in the Automotive and Manufacturing & Engineering businesses in the current year.

Group PBT from Continuing Operations of RM754.8 million was lower than the RM800.3 million profit in the prior year. This is mainly due to the RM188.1 million one-off gain on land disposals in the current year being lower than the RM207.0 million reversal of provisions in the prior year.

Further details on the Group's performance from Continuing Operations are elaborated in the segmental review below.

In line with the planned exit and divestments made over the last one year, Discontinued Operations – Oil & Gas (Unlisted) reported a lower loss of RM13.6 million compared to the RM175.3 million pre-tax loss incurred in the prior year.

Automotive Segment

Revenue of RM9,295.9 million was higher than the RM8,946.7 million reported in the prior year, mainly due to an increase in number of vehicles sold in the current year.

PBT of RM530.3 million was slightly lower than the RM550.0 million reported in the prior year, mainly due to higher depreciation in the current year, following commencement of the Bukit Raja plant at the end of 2018.

NOTE 14 - Review of Performance (Cont'd)

Twelve Months Ended 31 December 2019 (Cont'd)

Equipment Segment

Revenue of RM1,408.2 million was lower than the RM1,539.6 million recorded in the prior year following a slow down in construction, manufacturing, mining and logging activities in territories that the segment operates in.

In line with the decrease in revenue, PBT of RM135.7 million was lower than the RM160.1 million recorded in the prior year.

Manufacturing & Engineering Segment

Revenue of RM1,062.5 million was higher than the RM843.2 million recorded in the prior year, mainly due to an increase in the volume of fan cases delivered by the Aerospace business and higher sales of the Auto-components and Lubricants businesses in the current year.

PBT of RM60.9 million was higher than the RM21.5 million in the prior year following the increase in revenue and higher margins earned from cost optimization efforts in the current year.

NOTE 15 - Comparison with Preceding Quarter's Results

	Revenue			Profit/(Loss) Before Taxation		
	4th Quarter Ended 31/12/2019 RM'000	3rd Quarter Ended 30/09/2019 RM'000	Variance %	4th Quarter Ended 31/12/2019 RM'000	3rd Quarter Ended 30/09/2019 RM'000	Variance %
CONSOLIDATED TOTAL	3,123,924	2,885,126	8.3%	297,836	152,502	95.3%
Total From Continuing Operations	3,115,661	2,882,664	8.1%	311,671	150,305	>100%
Business Segment:						
Automotive	2,449,969	2,296,944	6.7%	114,869	140,090	-18.0%
Equipment	328,031	353,660	-7.2%	27,274	30,772	-11.4%
Manufacturing & Engineering	328,543	252,403	30.2%	30,001	15,360	95.3%
Others	9,118	(20,343)	>100%	(48,617)	(35,917)	-35.4%
Other Gains	-	-	-	188,144	-	>100%
Total From Discontinued Operations	8,263	2,462	>100%	(13,835)	2,197	>(100%)
Oil & Gas (Unlisted)	8,263	2,462	>100%	(13,835)	2,197	>(100%)

Group

Group revenue from Continuing Operations of RM3,115.7 million was higher than the RM2,882.7 million reported in the quarter ended 30 September 2019 ("preceding quarter"), mainly due to higher revenue in the Automotive and Manufacturing & Engineering segments.

PBT from Continuing Operations of RM311.7 million was higher than the RM150.3 million profit reported in the preceding quarter, attributable to the RM188.1 million one-off gain on land disposals in the current quarter.

In line with the planned exit of Discontinued Operations - Oil & Gas (Unlisted), the segment reported a pre-tax loss of RM13.8 million against the RM2.2 million PBT in the preceding quarter.

NOTE 15 - Comparison with Preceding Quarter's Results (Cont'd)

Automotive Segment

Revenue of RM2,450.0 million was higher than the RM2,296.9 million reported in the preceding quarter following a higher number of vehicles sold in the current quarter.

PBT of RM114.9 million was lower than the RM140.1 million reported in the preceding quarter, mainly due to a lower share of profit from an associate in the current quarter.

Equipment Segment

Revenue of RM328.0 million was lower than the RM353.7 million reported in the preceding quarter, mainly due to sluggish demand in the current quarter.

PBT of RM27.3 million was lower than the RM30.8 million recorded in the preceding quarter, in line with the decrease in revenue for the current quarter.

Manufacturing & Engineering Segment

Revenue of RM328.5 million was higher than the RM252.4 million reported in the preceding quarter, mainly due to a higher volume of fan cases delivered by the Aerospace business and higher demand for auto-components and lubricants products in the current quarter.

In line with the increase in revenue, PBT of RM30.0 million was higher than the RM15.4 million reported in the preceding quarter following the increase in revenue and positive impact from cost optimization efforts in the current quarter.

NOTE 16 - Current Year Prospects

Automotive Segment

The industry is expecting a modest growth in Total Industry Volume ("TIV") in 2020, with the Malaysian Automotive Association forecasting a marginal 0.5% increase in TIV to 607,000 units.

With the expected modest growth in the industry as well as continued soft consumer sentiment, stiff competition and the challenging foreign currency exchange environment, vehicle sales are expected to remain moderate. However, the impact is expected to be cushioned by the introduction of new models by the Group in 2020.

Equipment Segment

The heavy equipment business outlook remains subdued due to sluggish demand in the various sectors it operates in. However, revival of major infrastructure projects in Malaysia as well as the higher demand in Singapore and Papua New Guinea are expected to contain the downward pressure on the business.

Meanwhile, the industrial equipment business will continue to focus on the growth sectors as well as the better prospects expected in Vietnam, supported by leasing and other value-added services.

NOTE 16 - Current Year Prospects (Cont'd)

Manufacturing & Engineering Segment

The aerospace business has started to contribute positively to the segment in 2019 and is expected to further increase its plant utilization in 2020.

Meanwhile, the demand for auto components and lubricants products is expected to remain stable over the near term.

Oil & Gas (Unlisted) Segment

The Group does not expect any adverse material impact from the segment.

Group

The Group will continue to focus on strengthening its core business segments and strategic cost optimisation initiatives to improve its business performance and operational productivity.

Amidst the challenging environment, the Group will continue to persevere to maintain its performance in 2020.

NOTE 17 – Variance from Profit Forecast and Profit Guarantee

Not applicable as there was no profit forecast or profit guarantee issued by the Group.

NOTE 18 - Revenue

Disaggregation of revenue from contracts with customers –

	Sale of vehicle RM'000	Sale of equipment RM'000	Sale of parts RM'000	Export sales RM'000	Services rendered RM'000	Sale of lubricants & related products RM'000	Revenue from contracts with customers RM'000	Lease rental income RM'000	Consolidated revenue RM'000
FYE 31 December 2019									
Business Segment									
Automotive	7,263,992	-	1,220,991	666,911	143,980	-	9,295,874	-	9,295,874
Equipment	-	697,284	364,801	108,348	63,773	-	1,234,206	173,958	1,408,164
Manufacturing & Engineering	-	-	383,861	464,187	-	214,501	1,062,549	-	1,062,549
Others	(4,069)	(18,047)	(21,889)	(3,321)	34,948	(6,355)	(18,733)	(8,709)	(27,442)
Total From Continuing Operations	7,259,923	679,237	1,947,764	1,236,125	242,701	208,146	11,573,896	165,249	11,739,145

	Sale of vehicle RM'000	Sale of equipment RM'000	Sale of parts RM'000	Export sales RM'000	Services rendered RM'000	Sale of lubricants & related products RM'000	Revenue from contracts with customers RM'000	Lease rental income RM'000	Consolidated revenue RM'000
FYE 31 December 2018									
Business Segment									
Automotive	7,459,244	-	594,443	697,334	195,714	-	8,946,735	-	8,946,735
Equipment	-	712,788	389,881	176,340	85,013	-	1,364,022	175,625	1,539,647
Manufacturing & Engineering	-	-	354,870	277,195	30	211,062	843,157	-	843,157
Others	(954)	(11,918)	(18,568)	(1,777)	36,832	(23,492)	(19,877)	(6,013)	(25,890)
Total From Continuing Operations	7,458,290	700,870	1,320,626	1,149,092	317,589	187,570	11,134,037	169,612	11,303,649

NOTE 19 - Taxation

	4th Quarter Ended 31/12/2019 RM'000	Twelve Months Ended 31/12/2019 RM'000
Current period provision	(25,339)	(113,100)
Under provision in prior periods	11,731	15,209
	(13,608)	(97,891)
Deferred taxation	(8,288)	(8,463)
Taxation	(21,896)	(106,354)
Zakat	-	(2,326)
Total taxation and zakat	(21,896)	(108,680)

The effective tax rate for the financial year ended 31 December 2019 was lower than the statutory tax rate of 24.0%, primarily due to some overseas subsidiaries having lower tax rate as well as some local subsidiaries benefitting from non-taxable income.

NOTE 20 - Corporate Proposals

Following completion of the Group's disposal of industrial leasehold land, together with all remaining buildings, structures and plants, measuring 38.803 acres in Shah Alam on 15 November 2019, the status of utilization of proceeds is as follows:

Utilisation purposes	Proposed utilisation as set out in the circular dated 30 September 2019	Actual utilisation as at 21 February 2020	Proposed utilisation of the remaining disposal consideration	
	Amount	Amount	Amount	Intended timeframe for utilisation
	RM'000	RM'000	RM'000	
Capital expenditure	70,000	-	70,000	within 12 months
Settlement of maturing debt	150,000	-	150,000	within 8 months
Working capital of UMW Group	4,068	5,380*	-	utilised
Special cash dividend	46,732	46,732	-	utilised
Defray estimated expenses relating to the Proposals	16,900	15,588*	-	utilised
Total	287,700	67,700	220,000	

*As disclosed in the Circular to shareholders, any shortfall or excess in funds allocated for estimated expenses will be funded from or used for working capital purposes.

NOTE 21 - Group Borrowings and Debt Securities

	As at 31/12/2019					
	Long Term		Short Term		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Secured						
Term loans and trade facilities	-	87,790	-	-	-	87,790
	-	87,790	-	-	-	87,790
Unsecured						
Term loans and trade facilities	-	2,294,924	-	86,364	-	2,381,288
- United States Dollar @ 4.091	40,705	-	-	-	40,705	-
Long term loans payable within 12 months	-	(299,997)	-	299,997	-	-
	40,705	1,994,927	-	386,361	40,705	2,381,288
	40,705	2,082,717	-	386,361	40,705	2,469,078

NOTE 21 - Group Borrowings and Debt Securities (Cont'd)

	As at 31/12/2018					
	Long Term		Short Term		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Unsecured						
Term loans and trade facilities	-	2,599,878	-	129,106	-	2,728,984
- United States Dollar @ 4.1335	48,362	-	55,389	-	103,751	-
Long term loans payable within 12 months	-	(349,991)	-	349,991	-	-
	48,362	2,249,887	55,389	479,097	103,751	2,728,984
	48,362	2,249,887	55,389	479,097	103,751	2,728,984

NOTE 22 – Financial Instruments

Derivatives

As at 31 December 2019, the Group's outstanding derivative assets and liabilities are detailed below-

Type of Derivative	Tenor	Notional Value RM'000	Fair Value Asset/(Liability) RM'000
Derivative Assets			
- Forward currency contract	Less than 1 year	26,345	582
- Embedded derivatives	Less than 1 year	334,139	5,016
		360,484	5,598
Derivative Liabilities			
- Forward currency contract	Less than 1 year	225,895	(2,901)

The Group uses forward currency contracts to hedge the current and future sales and purchases denominated in foreign currencies for which firm commitments existed at the end of reporting date. Derivatives are placed with or entered into with reputable financial institution with high credit ratings and no history of default.

There is no significant change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the financial year ended 31 December 2018 other than expiry of outstanding contracts reported then.

Fair Value Changes of Financial Liabilities

Other than derivatives which are classified as liabilities if they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after initial recognition.

NOTE 23 - Material Litigation

There was no material litigation pending as at the date of this announcement.

NOTE 24 - Dividend

The Board has declared a final single-tier dividend of 2.0 sen per share amounting to RM23.4 million in respect of the financial year ended 31 December 2019. The dividend is proposed to be payable on 31 March 2020 to shareholders whose name appears in the Record of Depositors as at close of business on 16 March 2020.

NOTE 25 - Earnings Per Share

Basic earnings per share for the current quarter and financial year ended 31 December 2019 is calculated by dividing the profit for the period attributable to the owners of the Company by the weighted average number of ordinary shares in issue as at 31 December 2019.

	4th Quarter Ended 31/12/2019	Twelve Months Ended 31/12/2019
Profit for the period attributable to the owners of the Company (RM'000)		
- Continuing operations	208,118	447,247
- Discontinued operations	(7,658)	7,197
	200,460	454,444
Weighted average number of ordinary shares	1,168,293,932	1,168,293,932
Basic earnings per share (sen)		
- Continuing operations	17.81	38.28
- Discontinued operations	(0.66)	0.62
	17.15	38.90

NOTE 26 - Audit Qualification

The audit report in respect of the annual financial statements for the financial year ended 31 December 2018 was not qualified.

NOTE 27 - Items to Disclose in the Statement of Comprehensive Income

	4th Quarter Ended 31/12/2019 RM'000	Twelve Months Ended 31/12/2019 RM'000
a. Interest income	9,240	35,714
b. Other investment income	8,541	38,429
c. Depreciation and amortisation	(92,753)	(346,168)
d. (Provision)/reversal of impairment losses on receivables	(988)	5,797
e. Provision for impairment on property, plant and equipment	(860)	(860)
f. Loss on sale on investment	(13,222)	(20,318)
g. (Loss)/gain on disposal of property, plant and equipment	(12,025)	26,715
h. Gain on disposal of non-current asset held for sale	219,956	219,956
i. Foreign exchange gain (net)	20,102	20,090
j. Gain/(loss) on derivatives (net)	1,226	(3,446)
k. Property, plant and equipment written off	(284)	(508)

By Order Of The Board

MOHD NOR AZAM BIN MOHD SALLEH
Secretary
(MAICSA 7028137)

Kuala Lumpur
27 February 2020