



KUMPULAN BELTON BERHAD

ANNUAL REPORT 2019





KUMPULAN BELTON BERHAD

(Company No: 127090-H)

(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 35th Annual General Meeting of the Company will be held at Lot 10, Sungai Siput Light Industrial Estate, 31100 Sungai Siput (U), Perak Darul Ridzuan on Wednesday, 30 September 2020 at 11.00 a.m. for the following purposes :-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors' fees. Resolution 1
3. To re-elect the following Director retiring under Article 100 of the Company's Articles of Association : Resolution 2
(a) Leong Kim Foo
4. To re-appoint Messrs T. C. Liew & Co, Chartered Accountants, as Auditors of the Company and to authorise the Directors to fix their remuneration. Resolution 3
5. To transact any other ordinary business of which due notice shall have been given. Resolution 4

By Order of the Board

FOONG KAI MING

Company Secretary

Kuala Lumpur

9 September 2020

Notes :

1. A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy may but need not be a member of the Company.

2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 729, 7th Floor, Menara Hai-O, Jalan Bukit Bintang, 55100 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

3. The audited financial statements for the financial year ended 31 December 2019 is published on our website at www.beltongroup.com This can be viewed and downloaded under Annual Report column



KUMPULAN BELTON BERHAD
(Incorporated in Malaysia)

ANNUAL REPORT AND FINANCIAL STATEMENTS
for the financial year ended 31 December 2019

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KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

DIRECTORS' REPORT

for the financial year ended 31 December 2019

The directors have pleasure in submitting their annual report to the Members together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2019.

OPERATIONS

Principal activities

The principal activities of the Company are:

- (a) investment holdings; and
- (b) provision of management services.

The principal activities of the subsidiaries are stated in Note 15.1 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiaries during the financial year.

<u>Results</u>	<u>Group</u> RM	<u>Company</u> RM
The profit/(loss) after taxation amounted to	759,513	(41,709)
Amount attributable to minority interests	<u>-</u>	<u>-</u>
Profit/(Loss) attributable to shareholders of the Company	759,513	(41,709)
From/To which must be (deducted)/added accumulated (losses) brought forward from the previous financial year of	<u>(78,176,041)</u>	<u>(82,598,890)</u>
Leaving/Resulting in an amount of accumulated (losses) to be carried forward to the next financial year of	<u><u>(77,416,528)</u></u>	<u><u>(82,640,599)</u></u>

Items of an unusual nature

The results of the operations of the Group and the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than the results from investing activities as reported in the Group statement of comprehensive income.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and the Company for the current financial year.

Reserves and provisions

There were no material transfers to or from reserves or provisions during the financial year.

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend any dividend for the current financial year ended 31 December 2019.

Bad and doubtful debts

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and that all known bad debts had been written off and adequate allowance had been made for doubtful debts.

At the date of this report, the directors of the Group and the Company are not aware of any circumstances that would render the amount written off for bad debts or the amount of allowance for doubtful debts in the Group and the Company inadequate to any substantial

Current assets

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company and to the extent so ascertained were written down to an amount that they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Group and the Company misleading.

Valuation methods

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

Contingent and other liabilities

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group or the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Group or the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and the Company to meet their obligations as and when they fall due.

Change of circumstances

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and the Company, that would render any amount stated in the financial statements misleading.

SHARE CAPITAL

Issue of shares

During the financial year, no issue of shares was made by the Company.

Option

During the financial year, there was no option granted to take up unissued shares of the Company.

DIRECTORATE

Directors

The directors who served since the financial date of the last annual report are as follows:

Sow Yeng Chong
Leong Kim Foo
Chin Siew Kong

(Appointed w.e.f. 29.6.2019)
(Resigned w.e.f. 29.6.2019)

Shareholdings and interests in shares

The shareholdings and interests in shares in the Company of those persons who were directors at the end of the financial year were as follows:

<u>Shareholdings in names of directors</u>	As at the beginning, <u>1.1.2019</u>	Number of ordinary shares held during the financial year		As at the end, <u>31.12.2019</u>
		<u>Bought</u>	<u>Sold</u>	
<u>Company</u>				
Sow Yeng Chong	20,000	-	-	20,000
Leong Kim Foo	27,000	-	-	27,000

Other than as reported above, the other director who was on office and resigned during the financial year did not hold any share or interest in shares in the Company and its subsidiaries during the financial year.

Remuneration

	Group <u>2019</u> RM
Directors' remuneration and costs	
- Salaries, bonus and allowances	95,400
- Employees Provident Fund	8,352
- Employees Insurance Scheme	99
- SOCSO	1,161
	<u>105,012</u>

Benefits

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

AUDITORS

The audit fee payable to the auditors, T. C. Liew & Co., Chartered Accountants, for the financial year amounted to RM3,500.

The auditors have indicated their willingness to continue in office.

Signed in accordance with a resolution of the directors on behalf of the Board:

SOW YENG CHONG
Director

LEONG KIM FOO
Director

Date: 9 September 2020
Kuala Lumpur,
Malaysia.

KUMPULAN BELTON BERHAD
(Incorporated in Malaysia)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
of
KUMPULAN BELTON BERHAD**

**FINANCIAL STATEMENTS
for the financial year ended 31 December 2019**

Report on the Financial Statements

Opinion

We have audited the financial statements of Kumpulan Belton Berhad, which comprise the statements of financial position as at 31 December 2019 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 11 to 61.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2019, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this

Responsibilities of the Directors for the Financial Statements

The directors of the Group and of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- (d) Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

As stated in Note 4 to the financial statements, Kumpulan Belton Berhad adopted Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS") on 1 January 2019 with a transition date of 1 January 2018. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position of the Group and the Company as at 31 December 2018, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the year ended 31 December 2018 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and the Company for the year ended 31 December 2019, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2019 do not contain misstatements that materially affect the financial position as at 31 December 2019 and the financial performance and cash flows for the year then ended.

Other Matters (continued)

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

T. C. LIEW & CO.
Firm No: AF 0047
Chartered Accountants

LIEW TIP CHAN @ LIEW CHOONG CHAU
Approval No: 555/03/22 (J)
Chartered Accountant

Date: 9 September 2020
Kuala Lumpur,
Malaysia.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

GROUP STATEMENT OF FINANCIAL POSITION

<u>As at end of financial year 31 December</u>	Note	<u>2019</u> RM	<u>2018</u> RM
NON-CURRENT ASSETS			
Investment properties	11	8,500,000	8,500,000
Properties, plant, equipment and fittings	12	964,254	1,145,122
Deferred tax assets	13	<u>2,626,233</u>	<u>2,821,204</u>
TOTAL NON-CURRENT ASSETS		<u>12,090,487</u>	<u>12,466,326</u>
CURRENT ASSETS			
Inventories	14	13,149,916	13,021,034
Trade receivables	16	10,086,391	9,038,109
Other receivables, utility deposits and prepayments	17	3,159,833	4,033,756
Tax recoverable	9	358,738	358,738
Cash in hand and at Malaysian licensed banks	22	<u>8,814</u>	<u>26,153</u>
TOTAL CURRENT ASSETS		<u>26,763,692</u>	<u>26,477,790</u>
TOTAL ASSETS		<u><u>38,854,179</u></u>	<u><u>38,944,116</u></u>
EQUITY			
Attributable to owners of the Company	10		
Issued share capital		94,905,376	94,905,376
Accumulated (losses)		<u>(77,416,528)</u>	<u>(78,176,041)</u>
NET EQUITY		<u>17,488,848</u>	<u>16,729,335</u>

<u>As at end of financial year 31 December</u>	Note	<u>2019</u> RM	<u>2018</u> RM
NON-CURRENT LIABILITIES			
Borrowings	20.4	<u>3,627,469</u>	<u>4,057,974</u>
CURRENT LIABILITIES			
Trade payables	18	6,945,442	6,881,662
Other payables and accruals	19	9,090,119	8,827,809
Borrowings	20.4	1,570,385	2,348,437
Taxation	9	<u>131,916</u>	<u>98,899</u>
TOTAL CURRENT LIABILITIES		<u>17,737,862</u>	<u>18,156,807</u>
TOTAL LIABILITIES		<u>21,365,331</u>	<u>22,214,781</u>
NET EQUITY AND LIABILITIES		<u>38,854,179</u>	<u>38,944,116</u>
Net assets per share	10.2	<u>0.21</u>	<u>0.20</u>

The above Group statement of financial position is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

GROUP STATEMENT OF COMPREHENSIVE INCOME**For the financial year ended 31 December**

	Note	<u>2019</u> RM	<u>2018</u> RM
OPERATING ACTIVITIES			
Revenue			
Sales	6	15,593,624	20,433,351
Less:			
Cost of sales		<u>(14,528,975)</u>	<u>(20,076,284)</u>
Gross profit		1,064,649	357,067
Other income	7	<u>314,951</u>	<u>417,317</u>
		1,379,600	774,384
Less:			
Expenses			
Selling and distribution		(179,274)	(266,671)
Administration		(699,781)	(960,769)
Finance			
- Bank commission and charges		<u>(6,849)</u>	<u>(5,718)</u>
Profit/(Loss) from operations before interest charges		493,696	(458,774)
- Interest charges on borrowings		<u>(220,157)</u>	<u>(255,448)</u>
Profit/(Loss) from operating activities	8	<u>273,539</u>	<u>(714,222)</u>
INVESTING ACTIVITIES			
Fair value gain on investment properties		-	2,537,156
Profit on disposal of plant, machinery and vehicle		<u>713,962</u>	<u>3,799</u>
Profit from investing activities		<u>713,962</u>	<u>2,540,955</u>

For the financial year ended 31 December

	Note	<u>2019</u> RM	<u>2018</u> RM
FINANCING ACTIVITIES			
Bad debts written off		-	(38,000)
Payables (fulfilled)		-	(1,737)
		<hr/>	<hr/>
(Loss) from financing activities		-	(39,737)
		<hr/>	<hr/>
Profit before taxation		987,501	1,786,996
(Less)/Add:			
Taxation	9	<u>(227,988)</u>	<u>4,508</u>
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		<u>759,513</u>	<u>1,791,504</u>
		<hr/>	<hr/>
Attributable to:			
Owners of the Company		<u>759,513</u>	<u>1,791,504</u>
		<hr/>	<hr/>
Earnings	10.3		
- Basic		0.01	0.02
- Diluted		-	-
		<hr/>	<hr/>

The above Group statement of comprehensive income is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION

<u>As at end of financial year 31 December</u>	Note	<u>2019</u> RM	<u>2018</u> RM
NON-CURRENT ASSETS			
Equipment and fittings	12.2	334	590
Investments in subsidiaries	15	14,000,005	14,000,005
Deferred tax assets	13	<u>1,309,587</u>	<u>1,305,468</u>
TOTAL NON-CURRENT ASSETS		<u>15,309,926</u>	<u>15,306,063</u>
CURRENT ASSETS			
Other receivables, utility deposits and prepayments	17	137,933	140,801
Amounts owing by subsidiaries	15	4,428,981	4,461,636
Tax recoverable	9	347,376	347,376
Cash in hand and at Malaysian licensed banks	22	<u>104</u>	<u>1,303</u>
TOTAL CURRENT ASSETS		<u>4,914,394</u>	<u>4,951,116</u>
TOTAL ASSETS		<u>20,224,320</u>	<u>20,257,179</u>
EQUITY			
Issued share capital	10	94,905,376	94,905,376
Accumulated (losses)		<u>(82,640,599)</u>	<u>(82,598,890)</u>
NET EQUITY		<u>12,264,777</u>	<u>12,306,486</u>

<u>As at end of financial year 31 December</u>	Note	<u>2019</u> RM	<u>2018</u> RM
CURRENT LIABILITIES			
Other payables and accruals	19	1,416,556	1,407,706
Amounts owing to subsidiaries	15	<u>6,542,987</u>	<u>6,542,987</u>
TOTAL LIABILITIES		<u>7,959,543</u>	<u>7,950,693</u>
NET EQUITY AND LIABILITIES		<u>20,224,320</u>	<u>20,257,179</u>
Net assets per share	10.2	<u>0.14</u>	<u>0.14</u>

The above statement of financial position is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME

<u>For the financial year ended 31 December</u>	Note	<u>2019</u>	<u>2018</u>
		RM	RM
OPERATING ACTIVITIES			
Revenue			
Operating income	6	-	-
Other income	7	-	16,908
		-	16,908
Less:			
Expenses			
Administration		(45,517)	(50,408)
Finance			
- Bank charges		(311)	(239)
(Loss) from operating activities	8	(45,828)	(33,739)
FINANCING ACTIVITIES			
Amounts owing by subsidiaries waived		-	(4,359)
(Loss) before taxation		(45,828)	(38,098)
Add/(Less):			
Taxation	9	4,119	(3,984)
(LOSS) FOR THE FINANCIAL YEAR		(41,709)	(42,082)
Earnings per share			
- Basic	10.3	(0.00)	(0.00)
- Diluted		-	-

The above statement of comprehensive income is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

**GROUP STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2019**

	Attributable to owners of the Company		
	<u>Issued</u>	<u>Accumulated</u>	<u>Net</u>
	<u>share capital</u>	<u>(losses)</u>	<u>RM</u>
	RM	RM	RM
As at 1 January 2018	94,905,376	(79,967,545)	14,937,831
Profit for the financial year	-	1,791,504	1,791,504
As at 31 December 2018	94,905,376	(78,176,041)	16,729,335
Profit for the financial year	-	759,513	759,513
As at 31 December 2019	<u>94,905,376</u>	<u>(77,416,528)</u>	<u>17,488,848</u>

The above Group statement of changes in equity is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
for the financial year ended 31 December 2019

	<u>Issued</u> <u>share capital</u> RM	<u>Accumulated</u> <u>(losses)</u> RM	<u>Net</u> RM
As at 1 January 2018	94,905,376	(82,556,808)	12,348,568
(Loss) for the financial year	<u>-</u>	<u>(42,082)</u>	<u>(42,082)</u>
As at 31 December 2018	94,905,376	(82,598,890)	12,306,486
(Loss) for the financial year	<u>-</u>	<u>(41,709)</u>	<u>(41,709)</u>
As at 31 December 2019	<u>94,905,376</u>	<u>(82,640,599)</u>	<u>12,264,777</u>

The above statement of changes in equity is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD
(Incorporated in Malaysia)

GROUP STATEMENT OF CASH FLOWS

<u>For the financial year ended 31 December</u>	Note	<u>2019</u>	<u>2018</u>
		RM	RM
OPERATING ACTIVITIES			
Operations			
Cash (used in)/generated from operations before interest charges		(9,454)	759,833
Interest charges on borrowings paid		<u>(220,157)</u>	<u>(255,448)</u>
Cash (used in)/from operations before taxation	21	(229,611)	504,385
Income tax (paid)		<u>-</u>	<u>(84,000)</u>
Net cash (used in)/from operating activities		<u>(229,611)</u>	<u>420,385</u>
INVESTING ACTIVITIES			
Additions of plant, equipment and fittings	12.3	(30,489)	(300,210)
Proceeds from disposal of plant, machinery and vehicle		<u>714,000</u>	<u>3,800</u>
Net cash from/(used in) investing activities		<u>683,511</u>	<u>(296,410)</u>
FINANCING ACTIVITIES			
(Payments) to finance lease payables		(100,882)	(88,670)
(Repayment) of term loans		<u>(315,948)</u>	<u>(299,413)</u>
Net cash (used) in financing activities		<u>(416,830)</u>	<u>(388,083)</u>
CASH AND CASH EQUIVALENTS			
Net increase/(decrease) in the financial year	22	37,070	(264,108)
As at beginning of financial year		<u>(336,572)</u>	<u>(72,464)</u>
As at end of financial year		<u>(299,502)</u>	<u>(336,572)</u>

The above Group statement of cash flows is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS

<u>For the financial year ended 31 December</u>	Note	<u>2019</u> RM	<u>2018</u> RM
OPERATING ACTIVITIES			
Operations			
Net cash (used) in operating activities	21	<u>(33,854)</u>	<u>(59,036)</u>
FINANCING ACTIVITIES			
Repayment from subsidiaries		32,655	57,363
Advances from subsidiaries		<u>-</u>	<u>1,753</u>
Net cash from financing activities		<u>32,655</u>	<u>59,116</u>
CASH AND CASH EQUIVALENTS			
Net (decrease)/increase in the financial year	22	(1,199)	80
As at beginning of financial year		<u>1,303</u>	<u>1,223</u>
As at end of financial year		<u><u>104</u></u>	<u><u>1,303</u></u>

The above statement of cash flows is to be read in conjunction with the notes to the financial statements on pages 22 to 61.

Independent Auditors' Report - Pages 6 to 10.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 20191. **GROUP**

The Group comprises the Company and its subsidiaries listed in Note 15.1 to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 9 September 2020.

2. **GENERAL**

The Company was incorporated in Malaysia as a public company limited by shares. It is resident in Malaysia with its registered office situated at Suite 729, 7th Floor, Menara Hai-O, Jalan Bukit Bintang, 55100 Kuala Lumpur Wilayah Persekutuan.

3. **PRINCIPAL ACTIVITIES**

The principal activities of the Company are:

- (a) investment holdings; and
- (b) provision of management services.

The principal activities of the subsidiaries are stated in Note 15.1 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiaries during the financial year.

Place of business

The principal place where the business activities of the Company are carried out is situated at Lot 10, Sungai Siput Light Industrial Estate, 31100 Sungai Siput (U), Perak Darul

4. PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the provisions of the Companies Act, 2016. These are the Group's and the Company's first financial statements prepared in accordance with MFRSs and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied.

In prior years, the financial statements of the Group and the Company was prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") in Malaysia.

The transition to the MFRS Framework has no material effect on the financial statements of the Group and the Company for the current year ended 31 December 2019 and the comparative year ended 31 December 2018.

These financial statements cover a twelve-month financial year from 1 January 2019 to 31 December 2019 to provide information about the:

- (a) financial performance;
- (b) financial position;
- (c) equity; and
- (d) cash flows

of the Group and the Company on their operations.

All the amounts in these statements are stated in Ringgit Malaysia ("RM") unless otherwise stated.

5. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Group and the Company, which have been applied consistently to the periods presented in these financial statements and in preparing the opening MFRS statements of financial position of the Group and the Company at 1 January 2018 (the date of transition to MFRS framework), unless otherwise stated, are stated in paragraphs 5.1 to 5.18 below:

5.1 Basis of accounting

The financial statements of the Group and the Company have been prepared using cost and fair value bases.

5.2 Significant accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

5.2.1 Judgements made in applying accounting policies

There are no significant areas of critical judgement in applying accounting policies that have any significant effect on the amount recognised in the financial statements.

5.2.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Depreciation and amortisation of equipment, furniture and fittings

The depreciable costs of equipment, furniture and fittings are allocated on a straight line basis over their expected useful lives. Management estimates the useful lives of these assets to be within 5 to 20 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual value of these assets.

(ii) Net realisable value of inventories

The management reviews for damaged, slow-moving and obsolete inventories. This review requires judgements and estimates. Possible changes in these estimates could result in revision to the valuation of inventories.

(iii) Impairment of loans and receivables

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience of assets with similar credit risk characteristics.

5.3 Adoption of new and revised financial reporting standards

Malaysian Financial Reporting Standards

As stated in Note 4, these are the first financial statements of the Company prepared in accordance with MFRSs.

The transition to the MFRS Framework has no material effect on the financial statements of the Company for the current year ended 31 December 2019 and the comparative year ended 31 December 2018.

5.4 Standards issued but not yet effective

There are no MFRSs standards that have been issued in the respective financial period applicable to the Company.

5.5 Basis of consolidation

The Group financial statements are prepared by consolidating the financial statements of the Company and all its subsidiaries made up to the same financial year.

All subsidiaries are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the difference between the cost of investments and the underlying value of net assets acquired at the date of acquisition is shown in the Group statement of financial position as goodwill arising on consolidation.

All significant intragroup transactions and balances are eliminated on consolidation and the group financial statements reflect external transactions only.

The carrying amount of goodwill is tested for impairment on an annual basis in accordance with MFRS 10 "Impairment of Assets".

5.6 Revenue

Revenue is recognised in the financial statements as follows:

5.6.1 Manufacturing and trading

Invoiced value of net sales of goods delivered to customers;

5.6.2 Services

Invoiced value of services of machining, heat treatment and other related services rendered to customers;

5.6.3 Investments

Rental income on straight line basis over the term of the relevant tenancy agreement;

5.6.4 Others

Rental income and sundry interest on receipt basis.

5.7 Investments in subsidiaries

Subsidiaries are companies in which the Company holds more than half of their issued share capitals and controls the composition of their boards of directors with the power to govern their financial and operating policies so as to obtain benefits from their activities.

Investments in subsidiaries are stated at cost less impairment loss, if any.

5.8 Investment properties

The Group recognises a land, building (including a floor of a building), or both land and building, including a property under construction, as an investment property if it is held for capital appreciation, rental income or both. An investment property is recorded at cost on initial recognition. Cost of an investment property comprises purchase price plus all directly attributable cost incurred to bring the property to its present location and condition intended for use as an investment property. Cost of a self-constructed investment property comprises all direct and indirect construction costs but exclude internal profits.

For the purpose of subsequent measurement, items of equipment that are irremovable and items that are physically attached to a building, such as lift, elevators, electrical system and air-conditioning system, are treated as an integral part of the property. The Group uses the fair value model to measure an investment property after initial recognition if the fair value can be measured reliably without undue cost or effort. Fair value is determined by reference to a quoted market price, if observable. Changes in fair value of an investment property are recognised in profit or loss for the periods in which they arise. All other investment property is measured at cost less accumulated depreciation and impairment loss.

Freehold land is stated at cost less impairment loss, where applicable. No depreciation is made on freehold land.

Investment properties are depreciated at rates calculated to write off the carrying amounts to their residual values over the economic useful lives of the assets.

Upon the disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

5.9 Properties, plant, equipment and fittings and depreciation/amortisation

Factory plant, equipment and fittings are stated at valuation and at cost less accumulated depreciation and impairment loss, where applicable.

All these assets are depreciated and amortised at rates calculated to write off the book values to their residual values over their expected economic useful lives.

The depreciation method used and principal annual rates used for this purpose are as follows:

	<u>Method</u>	<u>%</u> <u>Per annum</u>
Factory plant and equipment	Straight line	5 - 20
Motor vehicles	Straight line	20
Office equipment, furniture and fittings	Straight line	5 - 10

The carrying amounts of these assets at the statement of financial position date are reviewed by the directors to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. In determining the recoverable amount of assets, expected future cash flows are not discounted to their present values. The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to equity. Any subsequent increase in recoverable amount is reduced by the amount that has been recognised as depreciation had the write-down or write-off not occurred. Such subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset, in which case it is taken to equity.

5.10 Leases

Non-current assets acquired under finance lease where all the risks and benefits of ownership have substantially been transferred to the Company are capitalised in the financial statements. These assets are depreciated in accordance with the accounting policy stated in Note 5.9. Interest expense is charged to profit or loss over the year of the lease on an effective interest method.

5.11 Employee benefits

(a) Short-term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and other benefits are recognised as expenses in the year in which the associated services are rendered to the Group by employees.

(b) Defined contribution plan

The employees of the Company are not unionised.

The Group makes statutory contributions for employees to the Employees Provident Fund. The contributions are charged as an expense to profit or loss in the financial year to which they relate.

5.12 Taxation

Current

Income tax for the financial year is provided on taxable profit at current statutory rate.

Deferred

Accounting profit and taxable profit differ due to, in addition to expenses not deductible, taxable and deductible temporary differences between accounting and tax bases of assets and liabilities.

Deferred tax liabilities in respect of income tax payable in future financial years are recognised for all taxable temporary differences.

Deferred tax assets in respect of income tax recoverable in future financial years for deductible temporary differences, carryforward of unused tax losses and carryforward of unused tax credits are recognised to the extent that it is probable future taxable profit will be available against which they can be utilised.

5.13 Inventories

Inventories and work-in-progress are valued at the lower of cost and net realisable value.

Cost incurred in bringing the following inventories to their present location and condition is determined as follows:

Raw materials, consumables and trading goods - Purchase cost on a first-in, first-out basis

Work-in-progress and finished products - Cost of direct materials and labour incurred and proportion of production overheads based on normal level of activity

Allowance for impairment is made for all deteriorated, damaged, obsolete and slow-moving inventories.

5.14 Foreign currency conversion

Foreign currency transactions are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the approximate exchange rates ruling at the statement of financial position date. Exchange differences are taken into the profit or loss.

The average closing rates used in the translation of foreign currency monetary assets and liabilities are as follows:

		<u>2019</u>	<u>2018</u>
		RM	RM
AUD	1.00	2.87	2.92
EUR	1.00	4.55	4.73
JPY	1.00	0.04	0.04
SGD	1.00	3.04	3.03
USD	1.00	4.09	4.13
CNY	1.00	0.59	0.60

5.15 Statement of cash flows

The statements are prepared using indirect method.

Cash and cash equivalents comprise cash in hand and at Malaysian licensed banks.

The amount is presented after deducting bank overdraft.

5.16 Financial instruments

A financial instrument is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially at its fair value plus transaction cost, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The Company determines the classification of their financial instruments at initial recognition as follows:

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

(i) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

Subsequent to initial measurement, loans and receivables are measured at amortised cost using effective interest method, except for short-term receivables when the recognition of interest would be immaterial. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances with Malaysian licensed banks which are unsecured and readily convertible to cash with no significant risk of changes in value below the amounts stated in the financial statements. For the purposes of the statement of cash flows, the amount is presented after deducting bank overdraft, if any.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received and any cumulative gain or loss that had been recognised in other comprehensive income are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, financial liabilities measured at amortised cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss which are subsequently measured at their fair values with the gain or loss recognised in the profit or loss.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

The Company's financial liabilities include trade and other payables and short-term borrowings and are carried at amortised cost.

5.17 Impairment of financial assets

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment. The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Loans and receivables

To determine whether there is objective evidence that an impairment loss on loans and receivables has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, and observable changes in national or local economic conditions that correlate with defaults in receivables.

Where there is objective evidence of impairment, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the asset is reduced by the impairment loss directly for all loans and receivables with the exception of trade receivables and intragroup debts, where the carrying amount is reduced through the use of an allowance account. When a trade receivable or intragroup debt becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

5.18 Impairment of other assets

The Company assesses at each reporting date whether there is an indication that an asset, except for inventories and deferred tax assets, may be impaired.

For the purpose of impairment testing, recoverable amount is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

6. REVENUE

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
<u>Activities</u>				
Sales of manufactured products	<u>15,593,624</u>	<u>20,433,351</u>	<u>-</u>	<u>-</u>

7. OTHER INCOME

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Rental income	137,400	99,900	-	-
Sales of scrap metal	148,122	258,995	-	-
Commission received	1,048	-	-	-
Discounts received	28,381	43,422	-	1,908
Received for Insurance refund	-	15,000	-	15,000
	<u>314,951</u>	<u>417,317</u>	<u>-</u>	<u>16,908</u>

8. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
The profit/(loss) from operating activities of	<u>273,539</u>	<u>(714,222)</u>	<u>(45,828)</u>	<u>(33,739)</u>
has been arrived at after charging				
- Cost of sales and expenses which included the statutory disclosure items below:				
Contract wages	<u>1,233,482</u>	<u>1,692,715</u>	<u>-</u>	<u>-</u>
Directors' remuneration and costs				
- Directors of the Company				
- Emoluments	95,400	72,000	-	-
- Employees Provident Fund	8,352	9,360	-	-
- Employees Insurance Scheme	99	142	-	-
- SOCSO	<u>1,161</u>	<u>1,238</u>	<u>-</u>	<u>-</u>
	<u>105,012</u>	<u>82,740</u>	<u>-</u>	<u>-</u>

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
<u>Staff costs</u>				
- Wages, salaries and others	1,806,374	2,393,582	-	-
- Employees Provident Fund	219,273	281,034	-	-
- Employees Insurance Scheme	3,374	3,773	-	-
- Human Resources Fund	19,147	24,884	-	-
- SOCSO	32,452	41,444	-	-
	<u>2,080,620</u>	<u>2,744,717</u>	<u>-</u>	<u>-</u>
	<u>2,185,632</u>	<u>2,827,457</u>	<u>-</u>	<u>-</u>
<u>Auditors' remuneration</u>				
- Audit fees				
- Company	3,500	3,500	3,500	3,500
- Subsidiaries				
- For the current financial year	30,800	30,000	-	-
- Under-provision in the previous financial year	-	1,000	-	-
Allowance for doubtful debts	36,504	92,318	-	-
Depreciation of plant, equipment and fittings	211,319	288,382	256	307

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Loss on translation of foreign receivables and payables				
- Realised	4,700	1,267	-	-
- Unrealised	51,051	382,999	-	-
Rental for				
- Warehouse and factory	534	16,050	-	-
Interest charges on borrowings:				
- Finance leases	19,137	18,610	-	-
- Term loans	165,687	182,212	-	-
- Other banking facilities	35,333	54,626	-	-
	<u>220,157</u>	<u>255,448</u>	<u>-</u>	<u>-</u>

9. TAXATION

9.1 Group

	Tax expense/(income) for the financial year			
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
<u>Income tax</u>				
As at beginning of financial year			(259,839)	(259,839)
<u>Current</u>				
- For the current financial year	33,017	-	33,017	-
			(226,822)	(259,839)

	Tax expense/(income) for the financial year			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
<u>Deferred</u>				
Transfer from/(to) deferred taxation (Note 13)				
- For the current financial year	275,075	(14,845)		
- (Over)/Under- provision in the previous financial year	<u>(80,104)</u>	<u>6,001</u>		
	<u>194,971</u>	<u>(8,844)</u>		
<u>Real Property Gains Tax</u>				
As at beginning of financial year			-	79,664
Payment			-	(84,000)
- Under-provision in prior financial year	<u>-</u>	<u>4,336</u>	<u>-</u>	<u>4,336</u>
As at end of financial year *			<u>(226,822)</u>	<u>(259,839)</u>
Tax expense/(income) for the financial year (Note 9.3)	<u>227,988</u>	<u>(4,508)</u>		
* Presented in the Group statement of financial position as below:				
Tax (recoverable)			(358,738)	(358,738)
Tax liabilities			<u>131,916</u>	<u>98,899</u>
			<u>(226,822)</u>	<u>(259,839)</u>

9.2 Company

	Tax (income)/expense for the financial year		<u>2019</u> RM	<u>2018</u> RM
	<u>2019</u>	<u>2018</u>		
<u>Income tax</u>				
As at beginning and end of financial year			<u>(347,376)</u>	<u>(347,376)</u>
<u>Deferred</u>				
Transfer from/(to) deferred taxation (Note 13)				
- For the current financial year	(62)	3,984		
- Under- provision in the previous financial year	<u>(4,057)</u>	<u>-</u>		
Tax (income)/ expense for the financial year (Note 9.3)	<u>(4,119)</u>	<u>3,984</u>		

9.3 Components of tax expense/(income)

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Current income tax expense	33,017	-	-	-
Deferred tax relating to the origination and reversal of temporary differences	<u>275,075</u>	<u>(14,845)</u>	<u>(62)</u>	<u>3,984</u>
(Note 9.4)	308,092	(14,845)	(62)	3,984
Real property gains tax	-	4,336	-	-
(Over)/Under-provision in the previous financial year	<u>(80,104)</u>	<u>6,001</u>	<u>(4,057)</u>	<u>-</u>
(Note 9.1 and Note 9.2)	<u>227,988</u>	<u>(4,508)</u>	<u>(4,119)</u>	<u>3,984</u>

9.4 Relationship between the accounting profit and tax expense/(income)

	Group	
	<u>2019</u>	<u>2018</u>
	RM	RM
Accounting profit before taxation	<u>987,501</u>	<u>1,786,996</u>
Malaysian income tax at the current statutory rate of - 24% (2018: 24%)	237,000	428,879
Tax effects of expenses/(income) that are not deductible/(taxable) in determining tax expense/(income):		
Fair value (gain) on investment properties	-	(608,918)
Others	<u>71,092</u>	<u>165,194</u>
Tax expense/(income) for the financial year (Note 9.3)	<u><u>308,092</u></u>	<u><u>(14,845)</u></u>
	%	%
Average effective tax rate on accounting profit	31.20	(0.83)
	Company	
	<u>2019</u>	<u>2018</u>
	RM	RM
Accounting (loss) before taxation	<u>(45,828)</u>	<u>(38,098)</u>
Malaysian income tax at the current statutory rate of - 24% (2018: 24%)	(10,999)	(9,144)
Tax effects of expenses that are not deductible in determining tax (income)/expense:		
Others	<u>10,937</u>	<u>13,128</u>
Tax (income)/expense for the financial year (Note 9.3)	<u><u>(62)</u></u>	<u><u>3,984</u></u>
	%	%
Average effective tax rate on accounting (loss)	(0.14)	(10.46)

9.5 Tax losses

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Unabsorbed tax losses and capital allowances, subject to agreement by the Director-General of Inland Revenue Board and compliance with certain provisions of the Income Tax Act 1967, amounted to approximately	<u>39,278,983</u>	<u>39,499,254</u>	<u>5,456,946</u>	<u>5,440,038</u>
Unabsorbed tax losses and capital allowances that:				
- have been recognised in deferred tax assets	6,534,326	6,754,597	5,440,038	5,440,038
- have not been recognised in deferred tax assets	<u>32,744,657</u>	<u>32,744,657</u>	<u>16,908</u>	<u>-</u>
	<u>39,278,983</u>	<u>39,499,254</u>	<u>5,456,946</u>	<u>5,440,038</u>

10. EQUITY

10.1 Equity represents shareholders' ownership interests in the Group and the Company.

It is comprised of:

10.1.1 Issued share capital contributions; and

10.1.2 Accumulated (losses) sustained by the Group and the Company up to the end of the financial year

employed in the business operations of the Group and the Company as disclosed below:

10.1.1 Share capital

	Group and Company	
	<u>2019</u>	<u>2018</u>
	RM	RM
Issued and fully paid 85,114,827 (a)		
(2018: 85,114,827) ordinary shares	<u>94,905,376</u>	<u>94,905,376</u>

There was no movement in the issued paid-up share capital during the financial year.

There is only one class of issued paid-up shares. All these shares rank pari passu in respect of distribution of dividends, repayment of capital, voting and other rights, privileges, conditions and restrictions in accordance with the Constitution of the Company.

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
10.1.2 <u>Non-distributable</u>				
Accumulated				
(losses) sustained				
by the Group				
and the Company				
up to end of				
the financial				
year	<u>(77,416,528)</u>	<u>(78,176,041)</u>	<u>(82,640,599)</u>	<u>(82,598,890)</u>

Company	
<u>2019</u>	<u>2018</u>
RM	RM

Distribution

Tax exempt income

Taxable profits upon which tax had been waived available for distribution as tax exempt dividends amounts to approximately

<u>8,771,000</u>	<u>8,771,000</u>
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10.2 Net assets per share

The total equity attributable to owners of the Company, movements of which are shown in the statement of changes in equity, is represented by the net assets of the Company disclosed in the statement of financial position as at end of the financial year as below:

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
Net assets attributable to owners of the Company	(b) <u>17,488,848</u>	<u>16,729,335</u>	<u>12,264,777</u>	<u>12,306,486</u>
Per ordinary share	(b)/(a) 0.21	0.20	0.14	0.14

10.3 Earnings per share

Profit/(Loss) for the financial year	(c) <u>759,513</u>	<u>1,791,504</u>	<u>(41,709)</u>	<u>(42,082)</u>
Per ordinary share	(c)/(a) 0.01	0.02	(0.00)	(0.00)

11. INVESTMENT PROPERTIES

	Group	
	<u>2019</u>	<u>2018</u>
	RM	RM
11.1 <u>Measured at fair value</u>		
<i>Short leasehold land and factory buildings</i>		
As at beginning of financial year	8,500,000	-
Transfer from properties, plant, equipment and fittings	-	5,962,844
	<u>8,500,000</u>	<u>5,962,844</u>
Fair value gain	-	2,537,156
As at end of financial year	<u><u>8,500,000</u></u>	<u><u>8,500,000</u></u>

The fair value of investment properties are measured by reference to comparable market prices of similar property of recent transactions in the property market conducted by an independent valuer. There are no significant assumptions applied in the measurement.

11.2 Lease

The prepaid lease payments for the short leasehold land with factory buildings erected thereon are for lease with an unexpired period of less than fifty (60) years, expiring on 16 January 2095 and 14 August 2072.

11.3 Assets secured for banking facilities (Note 20.1)

	<u>2019</u>	<u>2018</u>
	RM	RM
<u>Short leasehold land and factory buildings</u>		
Land	2,200,000	2,200,000
Building	<u>6,300,000</u>	<u>6,300,000</u>
At fair value	<u><u>8,500,000</u></u>	<u><u>8,500,000</u></u>

12. PROPERTIES, PLANT, EQUIPMENT AND FITTINGS

	Short leasehold <u>buildings</u> RM	Factory plant and <u>equipment</u> RM	Motor <u>vehicles</u> RM	Office equipment, furniture and fittings <u>RM</u>	Total <u>2019</u> RM	<u>2018</u> RM
12.1 <u>Group</u>						
As at beginning of financial year	-	23,363,872	1,458,119	1,530,998	26,352,989	32,316,089
Additions	-	30,489	-	-	30,489	390,210
Disposals	-	(345,575)	(21,500)	-	(367,075)	(40,139)
Transfer to investment properties	-	-	-	-	-	(6,313,171)
As at end of financial year	-	23,048,786	1,436,619	1,530,998	26,016,403	26,352,989
<u>Accumulated depreciation/impairment</u>						
As at beginning of financial year	-	22,702,919	1,081,602	1,423,346	25,207,867	25,309,950
Charge for the financial year	-	144,943	47,763	18,613	211,319	288,382
Disposals	-	(345,538)	(21,499)	-	(367,037)	(40,138)
Transfer to investment properties	-	-	-	-	-	(350,327)
As at end of financial year	-	22,502,324	1,107,866	1,441,959	25,052,149	25,207,867
<u>Net book value</u>						
As at end of financial year						
- 31 December 2019	-	546,462	328,753	89,039	964,254	
- 31 December 2018	-	660,953	376,517	107,652		1,145,122
Depreciation/impairment charge for year 2018	83,296	140,469	42,063	22,554		288,382

12.2 Company

	<u>Motor vehicle</u> RM	<u>Equipment, furniture and fittings</u> RM	<u>2019</u> RM	<u>Total</u> <u>2018</u> RM
<u>Cost</u>				
As at beginning and end of financial year	32,950	779,061	812,011	812,011
<u>Accumulated depreciation</u>				
As at beginning of financial year	32,949	778,472	811,421	811,114
Charge for the financial year	-	256	256	307
As at end of financial year	32,949	778,728	811,677	811,421
<u>Net book value</u>				
As at end of financial year				
- 31 December 2019	1	333	334	
- 31 December 2018	1	589		590
Depreciation charge for year 2018	-	307		307

12.3 Acquisition of non-current assets

	Group	
	<u>2019</u>	<u>2018</u>
	RM	RM
Total non-current assets, stated at cost, acquired during the financial year	30,489	390,210
Acquired by means of finance lease instalment plans	-	(90,000)
Cash payments	<u>30,489</u>	<u>300,210</u>

12.4 Assets acquired under instalment payment plansFinance lease (Note 20.3)Motor vehicles

Cost	477,630	477,630
Accumulated depreciation	<u>(148,896)</u>	<u>(101,133)</u>
Net book value	<u>328,734</u>	<u>376,497</u>

Factory plant

Cost	150,000	150,000
Accumulated depreciation	<u>(20,250)</u>	<u>(11,250)</u>
Net book value	<u>129,750</u>	<u>138,750</u>
	<u>458,484</u>	<u>515,247</u>

13. DEFERRED TAX ASSETS

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
As at beginning of financial year	2,821,204	2,812,360	1,305,468	1,309,452
Transfer (to)/from statement of comprehensive income (Note 9)				
- For the current financial year	(275,075)	14,845	62	(3,984)
- Over/(Under)-provision in the previous financial year	80,104	(6,001)	4,057	-
As at end of financial year	<u>2,626,233</u>	<u>2,821,204</u>	<u>1,309,587</u>	<u>1,305,468</u>
The components of the deferred taxation are as follows:				
Future tax <u>benefits arising from:</u>				
Allowance for impairment of inventories	82,894	82,894	-	-
General allowance for impairment of receivables	58,251	58,516	-	-
Unabsorbed tax losses and capital allowances carried forward	<u>2,909,993</u>	<u>3,107,212</u>	<u>1,309,667</u>	<u>1,305,609</u>
	<u>3,051,138</u>	<u>3,248,622</u>	<u>1,309,667</u>	<u>1,305,609</u>

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Future tax <u>(charge) arising from:</u>				
Capital allowances claims available lower than financial depreciation charge	<u>(424,905)</u>	<u>(427,418)</u>	<u>(80)</u>	<u>(141)</u>
Net	<u>2,626,233</u>	<u>2,821,204</u>	<u>1,309,587</u>	<u>1,305,468</u>

14. INVENTORIES

	Group	
	<u>2019</u> RM	<u>2018</u> RM
<u>Stated at cost</u>		
Held for		
- Manufacture		
Raw materials	1,819,433	2,112,502
Tools, dies and jigs	8,532,637	8,064,817
Work-in-progress	<u>432,199</u>	<u>480,962</u>
	10,784,269	10,658,281
- Sale		
Finished products	<u>2,711,039</u>	<u>2,708,145</u>
	13,495,308	13,366,426
<u>Impairment of inventories</u>		
As at beginning and end of the financial year	<u>(345,392)</u>	<u>(345,392)</u>
Net	<u>13,149,916</u>	<u>13,021,034</u>
Inventories recognised as an expense	<u>11,900,009</u>	<u>18,634,708</u>

15. SUBSIDIARIES15.1 General information and subsidiaries of the Company

<u>Name</u>	<u>Equity interest held</u>		<u>Principal activities</u>
	<u>2019</u> %	<u>2018</u> %	
Belton Sdn. Berhad	100	100	Manufacturing of motor vehicle suspension components and related parts
Belton Auto Parts Sdn. Bhd.	100	100	Ceased operations since December 1999
Belton Pins Industries Sdn. Bhd.	100	100	Defunct
Belton Fasteners Sdn. Bhd.	100	100	Manufacturing of specialty fasteners for automotive, agriculture, mining and oil and gas industries
Belton Marketing Sdn. Bhd.	100	100	Defunct
Belton Tools Sdn. Bhd.	100	100	Defunct
Belton Precision Machining Sdn. Bhd.	100	100	Defunct

All the subsidiaries were incorporated in Malaysia.

15.2 Investments

	Company	
	<u>2019</u>	<u>2018</u>
	RM	RM
<u>Unquoted shares, at cost</u>		
As at beginning and end of financial year	21,663,183	21,663,183
<u>Accumulated impairment of investments</u>		
As at beginning and end of financial year	<u>(7,663,178)</u>	<u>(7,663,178)</u>
<u>Net book value</u>		
As at end of financial year		
- 31 December	<u><u>14,000,005</u></u>	<u><u>14,000,005</u></u>

15.3 Inter-company accounts/transactionsAccounts outstanding

The amounts owing by/(to) subsidiaries below are unsecured, interest free and with no fixed term of repayment:

	Company	
	<u>2019</u>	<u>2018</u>
	RM	RM
<u>Owing by subsidiaries</u>		
Gross receivables		
- Loans and advances	<u>4,428,981</u>	<u>4,461,636</u>
<u>Owing (to) subsidiaries</u>		
Loans and advances	<u><u>(6,542,987)</u></u>	<u><u>(6,542,987)</u></u>

The amounts owing are stated at unamortised amounts due to the absence of repayment terms

16. TRADE RECEIVABLES

	Group	
	<u>2019</u> RM	<u>2018</u> RM
<u>Gross receivables</u>		
Trade receivables	10,480,024	9,395,238
	<hr/>	<hr/>
<u>Accumulated impairment of receivables</u>		
As at beginning of the financial year	(357,129)	(264,811)
(Charge) for the financial year	(36,504)	(92,318)
	<hr/>	<hr/>
As at end of the financial year	(393,633)	(357,129)
	<hr/>	<hr/>
Net receivables	<u>10,086,391</u>	<u>9,038,109</u>

17. OTHER RECEIVABLES, UTILITY DEPOSITS AND PREPAYMENTS

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Other receivables	2,879,756	3,713,102	137,933	140,801
Utility deposits	210,617	210,249	-	-
Prepayments	69,460	110,405	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>3,159,833</u>	<u>4,033,756</u>	<u>137,933</u>	<u>140,801</u>

18. TRADE PAYABLES

	Group	
	<u>2019</u> RM	<u>2018</u> RM
Trade payables	<u>6,945,442</u>	<u>6,881,662</u>

19. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Other payables	8,332,461	8,128,008	1,184,596	1,173,346
Accruals	<u>757,658</u>	<u>699,801</u>	<u>231,960</u>	<u>234,360</u>
	<u>9,090,119</u>	<u>8,827,809</u>	<u>1,416,556</u>	<u>1,407,706</u>

20. BORROWINGS20.1 Amounts owing to financial institutions

	Group	
	<u>2019</u> RM	<u>2018</u> RM
<u>Secured</u>		
Bank overdraft (Note 22)	308,316	362,725
Purchase revolving credit	831,688	1,569,006
Term loans		
- Due and repayable within next twelve months	332,477	315,951
- After next twelve months but not later than five years	1,239,024	1,429,064
- After five years	<u>2,246,209</u>	<u>2,388,643</u>
	<u>4,957,714</u>	<u>6,065,389</u>
Rates of interest	%	%
charges per annum:		
- Purchase revolving credit	4.00	4.00
- Term loans	4.20 - 4.60	4.20 - 4.60

The bank overdraft as at 31 December 2019 appeared in the cash book but not in the bank statement due to cheques issued to payees not presented at the bank at the end of the financial year.

20.2 Securities, guarantees and repayments

(a) Revolving credit line ("RCL") facilities:

- Secured against:
 - A further all open monies legal charge over a subsidiary's leasehold industrial lot identified as PN 136956, Lot No. 15721, Mukim of Sungai Siput, District of Kuala Kangsar, State of Perak together with the buildings erected or to be erected thereon;
 - Third party all open monies legal charge over a subsidiary's leasehold industrial lot identified as H. S. (D) 15575, PT No. 14085, Mukim of Sungai Siput, District of Kuala Kangsar, State of Perak together with the buildings erected or to be erected thereon.
- Guaranteed by:
 - A former director and a director of a subsidiary.
 - An irrevocable and unconditional corporate guarantee of the Company, for the repayment of the RCL Facility and all other sums made due, owing and payable under the security documents in respect of the RCL Facility.

(b) Term loans

- Secured against:
 - By legal charge on the Subsidiary's property held under PN 136956, Lot 15721, Mukim Sungai Siput, District of Kuala Kangsar, State of Perak and under joint and several guarantee of a former director of the Company, Leong Hing Wah and a director of the Subsidiary, Leong Kam Choon (F).
- Repayments
 - The term loans are repayable by 180 monthly instalments of RM14,503 and RM25,633 each inclusive of interest until full settlement.

20.3 Finance lease

	Group	
	<u>2019</u>	<u>2018</u>
	RM	RM
Finance lease instalment liabilities secured over the assets to which they relate (Note 12.4):		
- Current	97,904	100,755
- Non-current	142,236	240,267
	<u>240,140</u>	<u>341,022</u>
Total finance lease liabilities	<u>240,140</u>	<u>341,022</u>
Future leases payable:		
- not later than one year	113,900	120,304
- more than one year to five years	153,967	267,582
	<u>267,867</u>	<u>387,886</u>
Total future minimum lease payments	267,867	387,886
Less: Future finance charges	<u>(27,727)</u>	<u>(46,864)</u>
Present value of minimum lease payments	<u>240,140</u>	<u>341,022</u>
	%	%
Rates of interest charge per annum	4.79 - 5.75	4.79 - 5.75

20.4 Summary

	Group	
	<u>2019</u>	<u>2018</u>
	RM	RM
<u>Current portion</u>		
Amounts owing to financial institutions		
- Bank overdraft	308,316	362,725
- Purchase revolving credit	831,688	1,569,006
- Term loans	332,477	315,951
Finance lease	97,904	100,755
	<u>1,570,385</u>	<u>2,348,437</u>

	Group	
	<u>2019</u>	<u>2018</u>
	RM	RM
<u>Non-current portion</u>		
Amounts owing to financial institutions		
- Term loans	3,485,233	3,817,707
Finance lease	142,236	240,267
	<u>3,627,469</u>	<u>4,057,974</u>
Total	<u><u>5,197,854</u></u>	<u><u>6,406,411</u></u>

21. CASH (USED IN)/FROM OPERATIONS BEFORE TAXATION

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
Profit/(Loss) from operating activities	273,539	(714,222)	(45,828)	(33,739)
Adjustments for:				
Allowance for doubtful debts	36,504	92,318	-	-
Depreciation of plant, equipment and fittings	211,319	288,382	256	307
Unrealised loss on translation of foreign receivables and payables	51,051	382,999	-	-
Interest charges on borrowings	220,157	255,448	-	-
Operating profit/(loss) before working capital changes	792,570	304,925	(45,572)	(33,432)

	Group		Company	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
Changes in working capital:				
Inventories	(128,882)	534,614	-	-
Trade and other receivables	(295,362)	(3,320,425)	2,868	4,562
Trade and other payables	359,538	4,361,500	8,850	(30,166)
Amounts owing to banks	(737,318)	(1,120,781)	-	-
Cash (used in)/from operations before interest charges on borrowings	(9,454)	759,833	(33,854)	(59,036)
Interest charges on borrowings	(220,157)	(255,448)	-	-
Cash (used in)/from operations before taxation	(229,611)	504,385	(33,854)	(59,036)

22. CASH AND CASH EQUIVALENTS

	Balances as at end of financial year		Net increase/(decrease) in the financial year	
	<u>2019</u> RM	<u>2018</u> RM	<u>2019</u> RM	<u>2018</u> RM
<u>Group</u>				
Cash in hand and at Malaysian licensed banks	8,814	26,153	(17,339)	(93,117)
Bank overdraft (Note 20.1)	(308,316)	(362,725)	54,409	(170,991)
	(299,502)	(336,572)	37,070	(264,108)
<u>Company</u>				
Cash in hand and at Malaysian licensed banks	104	1,303	(1,199)	80

23. FINANCIAL INSTRUMENTS23.1 Classification of financial instruments

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
Financial assets:				
<u>Loans and receivables</u>				
Trade receivables	10,086,391	9,038,109	-	-
Other receivables, utility deposits and prepayments	3,159,833	4,033,756	137,933	140,801
Cash in hand and at Malaysian licensed banks	8,814	26,153	104	1,303
	<u>13,255,038</u>	<u>13,098,018</u>	<u>138,037</u>	<u>142,104</u>
Financial liabilities:				
<u>Financial liabilities measured at amortised cost</u>				
Trade payables	6,945,442	6,881,662	-	-
Other payable and accruals	9,090,119	8,827,809	1,416,556	1,407,706
Borrowings	5,197,854	6,406,411	-	-
	<u>21,233,415</u>	<u>22,115,882</u>	<u>1,416,556</u>	<u>1,407,706</u>

23.2 Financial risk management**Financial risk management objectives and policies**

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include those involved in credit, liquidity and market risk.

The Group's and the Company's risk management policies seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its risk exposures. The Group and the Company operate within clearly defined guidelines that are approved by the Board and it is the Company's policy not to engage in speculative transactions.

Details of the Group's and the Company's key financial risk exposures and the objectives, policies and processes for managing these risks are discussed below:

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its trade receivables and deposits with Malaysian licensed banks.

Trade receivables

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	Days	Days	Days	Days
Normal credit settlement terms granted to				
- Local trade receivables	60	60	-	-
- Foreign trade receivables	60	60	-	-

The aging analysis of trade receivables as at the end of the reporting period are as follows:

	Group		Company	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	RM	RM	RM	RM
Not past due nor impaired	725,726	1,959,201	-	-
Past due less than 30 days	285,674	350,635	-	-
Past due 31 - 60 days	99,620	267,057	-	-
Past due more than 60 days	8,975,371	6,461,216	-	-
	<u>10,086,391</u>	<u>9,038,109</u>	<u>-</u>	<u>-</u>

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group's and the Company's exposures to liquidity risk arises principally from their trade and other payables.

The Group and the Company practise prudent liquidity risk management. The Group and the Company maintain sufficient levels of cash and cash equivalents and availability of credit facilities to meet its working capital requirements.

(c) Market risk

Currency risk

Foreign currency (a currency which is other than the function currency of the Group entities) risk is the risk that the fair value of future cash flow of the Group's and the Company's financial instrument will fluctuate because of the changes in foreign exchanges rates.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's and the Company's exposures to foreign currency fluctuations arises principally from their sale and purchase transactions denominated in foreign currencies in the ordinary course of business.

The Group's foreign exchange policy seeks to allow the Group to manage exposures that arise from trading activities effectively within a framework of control so that the Group is not exposed to unnecessary foreign currency risks. The Group and the Company did not use any derivative financial instrument during the financial year to limit their exposures on foreign currency receivables and payables. Currency risk exposure is reduced via natural hedging, i.e. using their foreign currency collection to peg their foreign currency obligation whenever possible.

24. CAPITAL MANAGEMENT

The Group's and the Company's objective when managing capital is to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to sustain future development of the business and maximise shareholder value. The Board of Directors monitors the return on capital, which the Group and the Company define as results from operating activities divided by total shareholders' equity.

There was no change in the Group's and the Company's approach to capital management in the current financial year from that of the previous financial year. The Group and the Company are not subject to any externally imposed capital requirement.

KUMPULAN BELTON BERHAD

(Incorporated in Malaysia)

FINANCIAL STATEMENTS
for the financial year ended 31 December 2019**STATEMENT BY DIRECTORS**

We, Sow Yeng Chong and Leong Kim Foo, being the directors of Kumpulan Belton Berhad, do hereby state on behalf of the directors that in our opinion, the financial statements for the financial year ended 31 December 2019 set out on pages 11 to 61 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2019 and the results of their operations, changes in equity and cash flows for the financial year ended on that date.

The Board of Directors authorised the financial statements for issue on the date stated below.

On behalf of the Board:

SOW YENG CHONG
Director

LEONG KIM FOO
Director

Date: 9 September 2020

STATUTORY DECLARATION

I, Leong Kim Foo (NRIC No. 571227-08-6187), being the director primarily responsible for the accounting records and financial management of Kumpulan Belton Berhad, do solemnly and sincerely declare that the financial statements for the financial year ended 31 December 2019 set out on pages 11 to 61 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the
abovenamed Leong Kim Foo at
Kuala Lumpur in Wilayah Persekutuan
this day of 9 September 2020

LEONG KIM FOO
Director

Before me,

Commissioner for Oaths

FORM OF PROXY

I/We _____ NRIC No / Company No _____
of _____
being a member / members of KUMPULAN BELTON BERHAD
hereby appoint _____ NRIC No / Company No _____
of _____
or failing him / her _____ NRIC No / Company No _____
of _____

as my / our proxy / proxies to vote for me / us on my / our behalf at the 35th Annual General Meeting of the Company to be held at Lot 10, Sungai Siput Light Industrial Estate, 31100 Sungai Siput (U), Perak Darul Ridzuan on Wednesday, 30 September 2020 at 11.00a.m. for the following purpose:-

With reference to the Agenda set forth in the Notice of Meeting, please indicate with an 'X' in the spaces below how you wish your votes to be cast on the resolutions specified. If no specific direction as to voting is given, the proxy / proxies will vote or abstain from voting at his / their discretion.

RESOLUTION	ORDINARY RESOLUTION	FOR	AGAINST
1	To approve the payment of Directors' fees		
2	To re-elect Mr. Leong Kim Foo of NRIC No. 571227-08-6187 as Director		
3	To re-appoint Messrs T.C. Liew & Co. as Auditors		

Signature

Number of shares held	
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Dated this _____ day of _____ 2020

Notes :

1. A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy may but need not be a member of the Company.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 729, 7th Floor, Menara Hai-O, Jalan Bukit Bintang, 55100 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. The audited financial statements for the financial year ended 31 December 2019 is published on our website at www.beltongroup.com This can be viewed and downloaded under Annual Report column.

fold this flap for sealing

Affix
stamp

The Company Secretary
KUMPULAN BELTON BERHAD
Lot 10, Sungai Siput Light Industrial Estate,
31100 Sungai Siput (U),
Perak Darul Ridzuan,
Malaysia.



BELTON



KUMPULAN BELTON BERHAD (127090-H)

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