

M3 TECHNOLOGIES (ASIA) BERHAD 199901007872(482772-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the Nine(09) months ended 30 September 2020

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	30-Sep-20 Unaudited RM'000	30-Sep-19 Unaudited RM'000	30-Sep-20 Unaudited RM'000	30-Sep-19 Unaudited RM'000
Revenue	11,938	8,798	32,241	27,785
Operating Expenses	(13,078)	(10,370)	(33,625)	(31,696)
Profit/(Loss) from Operations	<u>(1,140)</u>	<u>(1,572)</u>	<u>(1,384)</u>	<u>(3,911)</u>
Net interest income/(expense)	109	308	424	792
Profit/(Loss) before taxation	<u>(1,031)</u>	<u>(1,264)</u>	<u>(960)</u>	<u>(3,119)</u>
Income tax expense	(388)	(711)	(1,469)	(1,814)
Net Profit/(Loss) for the period	<u><u>(1,419)</u></u>	<u><u>(1,975)</u></u>	<u><u>(2,429)</u></u>	<u><u>(4,933)</u></u>
Other comprehensive income/(loss), net of tax				
Foreign currency translation differences	341	1,010	(1,446)	(2,654)
Other comprehensive (loss)/income for the period, net of tax	<u>341</u>	<u>1,010</u>	<u>(1,446)</u>	<u>(2,654)</u>
Total comprehensive income/(loss) for the period	<u><u>(1,078)</u></u>	<u><u>(965)</u></u>	<u><u>(3,875)</u></u>	<u><u>(7,587)</u></u>
Attributable to:				
Equity holders of the Company	(1,752)	(2,182)	(3,589)	(5,969)
Non-controlling interests	333	207	1,160	1,036
	<u>(1,419)</u>	<u>(1,975)</u>	<u>(2,429)</u>	<u>(4,933)</u>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(1,319)	(1,676)	(4,678)	(7,537)
Non-controlling interests	241	711	803	(50)
	<u>(1,078)</u>	<u>(965)</u>	<u>(3,875)</u>	<u>(7,587)</u>
Earnings/(loss) per share				
Basic / Diluted (sen)	(0.27)	(0.37)	(0.56)	(1.02)

(The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD 199901007872(482772-D)
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NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF PROFIT AND LOSS
For the Nine(09) months ended 30 September 2020

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	30-Sep-20 Unaudited RM'000	30-Sep-19 Unaudited RM'000	30-Sep-20 Unaudited RM'000	30-Sep-19 Unaudited RM'000
Profit before taxation				
Included in the Profit before tax are the following items:				
Allowance for impairment of receivables	-	(173)	-	-
Allowance for impairment of joint venture	-	-	-	-
Amortisation of product development expenditure	211	461	629	1,149
Bad debts recovered	-	(78)	-	(78)
Bad debts written off	-	(172)	-	-
Depreciation of right of use assets	-	-	-	-
Depreciation of plant and equipment	593	358	1,384	959
Impairment loss on investment in associate	-	-	-	-
Investment income - Profit Guarantee	-	-	-	-
(Gain)/loss on disposal of plant and equipment	-	101	-	(173)
<u>(Gain)/loss on foreign exchange translation</u>				
- Realised	(23)	(192)	(23)	15
- Unrealised	703	85	(362)	131
Impairment loss on goodwill	-	-	-	-
Impairment loss on investment in a jointly controlled entity	-	-	-	-
<u>Interest expense/(income)</u>				
- Interest expense	20	5	61	24
- Interest income	(129)	(633)	(485)	(816)
Inventories written down	-	-	-	-
Inventories written off	-	-	-	-
Property, plant and equipment written off	-	24	-	24

There is no income/expenses in relation to the below items :

- Allowance for impairment of joint venture
- Exceptional items (Otherwise disclosed)
- Gain/loss on derivatives
- Impairment loss on goodwill
- Impairment loss on investment in an associate
- Investment income - Profit Guarantee ; and
- Product development expenditure written off

(The Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 30 September 2020

	30-Sep-20 Unaudited RM'000	31-Dec-19 Audited RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,560	4,586
Right of use assets	1,127	1,856
Intangible Asset	2,908	2,992
Other investment	2,009	2,009
Trade and other receivables	475	34
Deferred tax assets	82	87
	<u>11,161</u>	<u>11,564</u>
Current Assets		
Other investment	-	3,960
Inventories	1,385	1,430
Trade and other receivables	25,213	19,997
Amount due from related company	-	-
Amount due from jointly controlled entity	-	-
Tax refundable	2,077	13
Cash and bank balances	7,825	12,897
	<u>36,500</u>	<u>38,297</u>
Asset classified as held for sale	-	-
TOTAL ASSETS	<u>47,661</u>	<u>49,861</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	65,049	65,049
Share premium	-	-
Treasury shares	(566)	(566)
Warrant reserve	-	-
Accumulated losses	(41,188)	(37,600)
Foreign currency translation reserve	(4,723)	(3,633)
	<u>18,572</u>	<u>23,250</u>
Non-controlling interests	<u>6,762</u>	<u>7,659</u>
Total equity	<u>25,334</u>	<u>30,909</u>
Current Liabilities		
Trade and other payables	19,494	15,131
Lease liabilities	651	816
Loans and borrowings	137	132
Amount due to a director	880	880
Tax payable	-	404
	<u>21,162</u>	<u>17,363</u>
Non-current Liabilities		
Loans and borrowings	352	420
Deferred tax liabilities	54	58
Provision for gratuity	9	8
Lease liabilities	750	1,103
	<u>1,165</u>	<u>1,589</u>
Total liabilities	<u>22,327</u>	<u>18,952</u>
TOTAL EQUITY AND LIABILITIES	<u>47,661</u>	<u>49,861</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	2.89	5.54

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements)

M3 TECHNOLOGIES (ASIA) BERHAD 199901007872(482772-D)
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Nine(09) months ended 30 September 2020

	(Note a) Share Capital	Share Premium	Treasury Shares	Warrant Reserve	Foreign Currency Translation Reserve	Retained Earnings/ (Accumulated Losses)	Total	Non-Controlling Interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Six(09) months ended 30 September 2020									
Balance at 1 January 2020	65,049	-	(566)	-	(3,634)	(37,600)	23,249	7,659	30,908
Issuance of shares	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	(1,089)	(3,588)	(4,677)	803	(3,874)
Transactions with owners									
Dividend paid	-	-	-	-	-	-	-	(1,700)	(1,700)
Balance at 30 September 2020	65,049	-	(566)	-	(4,723)	(41,188)	18,572	6,762	25,334
Twelve (12) months ended 31 December 2019									
Balance at 1 January 2019	62,946	-	(566)	9,816	(2,174)	(35,795)	34,227	8,940	43,167
Prior year adjustment	-	-	-	-	-	(1,512)	(1,512)	-	(1,512)
Issuance of shares	2,103	-	-	(9,816)	-	9,816	2,103	-	2,103
Total comprehensive income/(loss) for the period	-	-	-	-	(1,459)	(10,109)	(11,568)	355	(11,213)
Transactions with owners									
Dividend paid	-	-	-	-	-	-	-	(1,636)	(1,636)
Balance at 31 December 2019	65,049	-	(566)	-	(3,633)	(37,600)	23,250	7,659	30,909

Note a

With the Companies Act 2016 ("NewAct") coming into effect on 31 January 2017, the credit standing in the share premium account of RM4,261,000 has been transferred to the share capital account. Pursuant to subsection 618(3) of the New Act, the Group may exercise its right to use the credit amount being transferred from share premium account within 24 months after the commencement of the New Act.

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine(09) months ended 30 September 2020

	9 months ended	
	30-Sep-20 Unaudited RM'000	30-Sep-19 Audited RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(960)	(3,119)
Adjustment for :		-
Allowance for impairment of receivables	-	-
Allowance for impairment of amount owing from joint venture	-	-
Amortisation of product development expenditure	629	1,149
Bad debts recovered	-	(78)
Bad debts written off	-	-
Depreciation of plant and equipment	1,384	959
Depreciation of right of use assets	-	-
(Gain)/loss on disposal of plant and equipment	-	(173)
(Gain)/loss on foreign exchange translation - Realised	(23)	15
(Gain)/loss on foreign exchange translation - Unrealised	(362)	131
Impairment loss on investment in associate	-	-
Investment income from profit guarantee	-	-
Interest expense	61	24
Interest income	(485)	(816)
Inventories write-down	-	-
Inventories written off	-	-
Plant and equipment written off	-	24
Provision for gratuity	-	-
Share of results in an associate	-	-
Share of results in a jointly controlled entity	-	-
Operating profit before working capital changes	<u>244</u>	<u>(1,884)</u>
Changes in working capital :		
Increase/(Decrease) in inventories	45	31
Increase/(Decrease) in trade and other receivables	(5,272)	(625)
Decrease in amount due from an joint venture	-	-
(Decrease)/Increase in trade and other payables	4,364	3,385
Increase/(Decrease) in right of use assets	729	-
(Decrease)/Increase in lease liabilities	(518)	-
(Decrease)/Increase in amount due to a Director	-	550
Cash flows (used in)/generated from operating activities	<u>(408)</u>	<u>1,457</u>
Interest expense	-	-
Tax paid	<u>(3,936)</u>	<u>(531)</u>
Net cash (used in)/generated from operating activities	<u>(4,344)</u>	<u>926</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of an associate		-
(Addition) / Return of other investment	3,960	435
Interest received	485	816
Purchase of plant and equipment	(1,358)	(571)
Proceed from disposal of plant and equipment	-	-
Product development expenditure	(545)	(805)
Repayment of advance to jointly controlled entity	-	-
Proceed from disposal of investment in an associate	-	-
Net cash used in investing activities	<u>2,542</u>	<u>(125)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest expense	(61)	(24)
Dividend paid by subsidiaries to non-controlling interests	(1,700)	(1,636)
Proceed from issued share capital	-	-
Bank borrowings and term loan	-	-
Issuance of new shares	-	-
Repayment of loans and borrowings	(63)	(51)
Net cash generated from/(used in) financing activities	<u>(1,824)</u>	<u>(1,711)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(3,626)</u>	<u>(910)</u>
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	<u>(1,446)</u>	<u>(2,655)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>12,897</u>	<u>13,696</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>7,825</u>	<u>10,131</u>

The cash and cash equivalents at beginning of year and quarter end represents cash on hand, cash and banks balances.

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2019 and the accompanying explanatory notes attached to these interim financial statements)

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Part A - Explanatory Notes Pursuant to MFRS 134

1. Corporate Information

M3 Technologies (Asia) Berhad is a public limited liability company incorporated and domiciled in Malaysia and is listed on Bursa Malaysia Securities Berhad.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with International Accounting Standards ("IAS") 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2019. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant to understanding the changes in the financial position and performance of the Group since the financial year ended 31 December 2019.

3. Significant Accounting Policies

The significant accounting policies and methods of computation applied in the unaudited condensed consolidated interim financial statements are consistent with those adopted and as disclosed in the audited financial statements of the Group for the financial year ended 31 December 2019.

The Group has adopted the new and revised MFRSs, amendments to published standards and IC Interpretation that became mandatory effective for annual period beginning on or after 1 January 2018 where applicable to the Group. The adoption of these new and revised MFRSs, amendments to published standard and IC Interpretation does not result in significant changes in the accounting policies of the Group.

4. Seasonal or Cyclical Factors

The business of the Group is not affected by any significant seasonal or cyclical factors

5. Unusual Items due to their Nature, Size or Incidence

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter under review.

6. Changes in Accounting Estimates and Errors

There were no changes in accounting estimates or error that have a material effect in the current quarter under review.

7. Debt and Equity Securities

Saved as disclosed above, there were no issuance or repayment of debt and equity securities, share buy-back, shares cancellations, shares held as treasury shares and resale of treasury shares in the current quarter under review.

8. Dividend Paid

No dividend has been proposed or paid in the current quarter under review.

9. Segmental Information

Segmental information of the results of the Group for the cumulative quarter is as follows:

(i) Geographical Segment

<u>09 months ended</u> <u>30 September 20</u>	Malaysia RM'000	Thailand RM'000	Pakistan RM'000	Other Countries RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	12,547	15	20,861	2,317	(3,499)	32,241
Segment results	(379)	(382)	4,717	(2,360)	(2,980)	(1,384)
Interest (expense)/income	(19)	-	(29)	(13)	485	424
Profit/(loss) before taxation	(398)	(382)	4,688	(2,373)	(2,495)	(960)
Segment assets	48,200	7,417	28,966	19,456	(56,378)	47,661
Segment liabilities	36,243	5,118	8,701	49,141	(76,876)	22,327

<u>09 months ended</u> <u>30 September 19</u>	Malaysia RM'000	Thailand RM'000	Pakistan RM'000	Other Countries RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	13,229	170	17,314	1,183	(4,111)	27,785
Segment results	(556)	(1,127)	4,735	(3,700)	(3,263)	(3,911)
Interest (expense)/income	(24)	-	-	-	816	792
Profit/(loss) before taxation	(580)	(1,127)	4,735	(3,700)	(2,447)	(3,119)
Segment assets	51,304	7,635	30,632	30,762	(68,531)	51,802
Segment liabilities	35,981	4,450	6,931	43,537	(73,040)	17,859

8. Segmental Information (cont'd)

(ii) Business Segment

<u>09 months ended</u> <u>30 September 20</u>	Mobile Solutions and Trading RM'000	Cloud Service Solutions RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	34,062	1,679	(3,500)	32,241
Segment results	4,561	(2,965)	(2,980)	(1,384)
Interest income/(expense)	(61)	-	485	424
Profit/(loss) before taxation	4,500	(2,965)	(2,495)	(960)
Segment assets	92,056	11,983	(56,378)	47,661
Segment liabilities	76,545	22,658	(76,876)	22,327

<u>09 months ended</u> <u>30 September 19</u>	Mobile Solutions and Trading RM'000	Cloud Service Solutions RM'000	Eliminations/ Adjustments RM'000	Group RM'000
Revenue	28,359	3,537	(4,111)	27,785
Segment results	4,142	(4,790)	(3,263)	(3,911)
Interest income/(expense)	(24)	-	816	792
Profit/(loss) before taxation	4,118	(4,790)	(2,447)	(3,119)
Segment assets	104,895	15,438	(68,531)	51,802
Segment liabilities	69,007	21,892	(73,040)	17,859

10. Related parties transactions

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	30-Sept-20 RM'000	30-Sept-19 RM'000	30-Sept-20 RM'000	30-Sept-19 RM'000
Sales to a related party	17	11	65	35
Purchase from a related party	53	39	143	106
	<u>70</u>	<u>50</u>	<u>208</u>	<u>141</u>

The transactions were carried out in the ordinary course of business and are on normal commercial terms

11. Subsequent Events

There was no material event took place between 1st January 2020 to the seventh day before the date of issuing this report.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Securities for the ACE Market

12. Performance Review

Table 1: Financial review for current quarter and financial year to date

Business Segment	Current quarter 3 months ended			Cumulative quarter 9 months ended		
	30-Sept-20	30-Sept-19	Changes	30-Sept-20	30-Sept-19	Changes
	RM'000	RM'000	(%)	RM'000	RM'000	(%)
Mobile Solutions and Trading						
Revenue	11,610	10,846	7%	34,062	28,359	20%
Profit/(loss) before taxation	(251)	2,734	-109%	4,500	4,118	9%
Cloud Service Solutions						
Revenue	574	1,004	-43%	1,679	3,537	-53%
Profit/(loss) before taxation	(678)	(1,551)	56%	(2,965)	(4,790)	38%
Adjustment						
Revenue	(246)	(3,052)	92%	(3,500)	(4,111)	15%
Profit/(loss) before taxation	(103)	(2,447)	96%	(2,495)	(2,447)	-2%
Total						
Revenue	11,938	8,798	36%	32,241	27,785	16%
Profit/(loss) before taxation	(1,032)	(1,264)	18%	(960)	(3,119)	69%
Profit/(loss) after taxation	(1,419)	(1,975)	28%	(2,429)	(4,933)	51%
Profit/(loss) attributable to owners of the company	(1,753)	(2,182)	20%	(3,589)	(5,969)	40%

Review of result for the quarter

For the quarter ended 30 September 2020 (3Q20), the Group's Mobile Solutions and trading segment Registered a revenue of RM11.6 million as compared to RM10.8 million recorded in the corresponding quarter 2019 (Q319). The 7% increase for the Mobile Solutions' segment was mainly due to the increase demand from banking customers in Pakistan and United Arab Emirates. The sales of Cloud Services Solutions recorded a revenue of RM0.6 million as compared to the corresponding quarter of 2019 of RM1.0 million. The decrease was mainly due to lower demand from our clients in hospitality and leisure industries due to the Covid-19 pandemic following implementation of the nationwide Recovery Movement Control Order in August 2020.

For the current quarter ended 30 September 2020 (3Q20), the Group's Mobile Solutions and trading segment recorded a LBT of RM0.3 million as compared to a PBT of RM2.7 million in the corresponding quarter of 2019 (3Q19). While the Cloud Solutions segment recorded a LBT of RM0.7 million in the current quarter and a LBT of RM1.6 million in 3Q19.

The LBT for the current quarter for Mobile Solutions is due to increase of direct costs in Pakistan lead to lower profit margin and a loss of unrealised foreign translation. The improvement of loss before tax for the current quarter for Cloud Solutions is due to lower operating expenses.

Table 2: Financial review for current quarter compared with immediate preceding quarter

Business Segment	Current quarter 3 months ended		
	30-Sept-20	30-Jun-20	Changes
	RM'000	RM'000	(%)
Mobile Solutions and Trading			
Revenue	11,610	10,610	9%
Profit/(loss) before taxation	(251)	1,862	-113%
Cloud Service Solutions			
Revenue	574	271	112%
Profit/(loss) before taxation	(678)	(1,579)	57%
Adjustment			
Revenue	(246)	(372)	34%
Profit/(loss) before taxation	(103)	(24)	-329%
Total			
Revenue	11,938	10,509	14%
Profit/(loss) before taxation	(1,032)	259	-498%
Profit/(loss) after taxation	(1,419)	(205)	-592%
Profit/(loss) attributable to owners of the company	(1,753)	(767)	-129%

Review of result of 3Q 2020 vs 2Q 2020

Revenue for 3QFY20 improved by 14% against 2QFY20, contributed by higher revenue in Mobile Solutions as a results of higher demand from customers in banking industries.

The Group reported a loss before tax of RM1.0 million as compared to a profit before tax of RM0.3 million in preceding quarter. The LBT was mainly due to higher direct costs and a higher loss of unrealised foreign translation.

13. Commentary on Prospects

The COVID-19 pandemic and the resulting imposition of Movement Control Orders (and their various different adaptations) have led to an unexpected surge in online services, banking in particular. This has resulted in an increase in the volume of SMS traffic provided by our Mobile Solutions Services arm, contributing to a 7% increase in revenue over the previous quarter, and a 20% increase over the similar period in 2019.

The launch of our new messaging portal allows direct connection to all of the most popular Instant Messaging apps such as WhatsApp, WeChat, Telegram, etc. This emancipates us from the restrictions of SMS, and opens up a significantly larger user base, that will also benefit from richer message content.

Our Cloud Solutions segment has seen a significant drop in revenue, as our customers have primarily been in the Retail, Food & Beverage, and Hospitality industries. However, we have swiftly shifted the focus of our i3Display devices from push advertising to temperature checking and contact tracing, two highly sought-after services in this new paradigm.

The Group will continue to focus on growing existing revenue generating business activities and undertaking progressive strategies to realign cost structures, practicing prudent spending to stay resilient in these difficult times.

13. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee.

14. Taxation

	Current Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30-Sept-20	30-Sept-19	30-Sept-20	30-Sept-19
	RM'000	RM'000	RM'000	RM'000
In respect of current period:-				
- Malaysian tax	-	-	-	-
- Foreign tax	388	711	1,469	1,814
	<u>388</u>	<u>711</u>	<u>1,469</u>	<u>1,814</u>

Foreign income tax is calculated at the statutory tax rate of 29% of the estimated assessable profit for the current and the statutory tax rate of 30% of the actual profit for previous corresponding periods for subsidiary company in Pakistan.

15. Group Borrowings and Debt Securities

The Group borrowings as at 30 September 2020 and 31 December 2019 are as follows:

	30-Sept-20 RM'000	31-Dec-19 RM'000
Current		
<u>Secured</u>		
- Term loan	68	67
- Obligations under finance leases	67	65
	<hr/> 135	<hr/> 132
Non-current		
<u>Secured</u>		
- Term loan	113	168
- Obligations under finance leases	239	252
	<hr/> 352	<hr/> 420
Total Group borrowings	<hr/> <hr/> 487	<hr/> <hr/> 552

The Group did not have any debt securities as at 30 September 2020.

16. Realised and Unrealised Earnings or Losses Disclosure

The retained earnings as at 30 September 2020 and 31 December 2019 are analysed as follows:

	30-Sept-20 RM'000	31-Dec-19 RM'000
The accumulated losses of the Group		
- Realised	(41,188)	(37,600)
- Unrealised	(54)	(58)
Total Group accumulated losses as per unaudited consolidated financial statement	<hr/> <hr/> (41,242)	<hr/> <hr/> (37,658)

17. Changes in Material Litigation

As at the seventh (7th) day before the date of issuing this report, the Company was not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group.

18. Earnings Per Share

The earnings per share was calculated by dividing the Company's profit after taxation and non-controlling interests by the weighted average number of ordinary shares in the respective period as follows:

	Current Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30-Sept-20	30-Sept-19	30-Sept-20	30-Sept-19
Profit/(Loss) after tax and non-controlling interests (RM'000)	(1,752)	(2,182)	(3,589)	(5,969)
Weighted average number of ordinary shares in issue	642,717,620	584,288,820	642,717,620	584,288,820
<u>Profit/(Loss) Per Share</u>				
Basic Earnings/(Diluted) Sen	(0.27)	(0.37)	(0.56)	(1.02)

19. Derivatives

The Group did not enter into any derivatives during the current quarter under review.

20. Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group did not have any financial liabilities measured at fair value through profit and loss for the current quarter under review.

21. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not qualified.

By order of the Board of Directors

Lim Seng Boon
Director
26 November 2020