

**MSCM HOLDINGS BHD** 200101001581 (537337-M)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE FIRST QUARTER ENDED  
30 JUNE 2020**

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOT THE FINANCIAL QUARTER ENDED 30 JUNE 2020

	Note	INDIVIDUAL PERIOD		CUMMULATIVE PERIOD	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Quarter	Year-to-date	Year-to-date
		30.06.2020	30.06.2019	30.06.2020	30.06.2019
		RM	RM	RM	RM
Revenue		528,351	2,021,142	528,351	2,021,142
Cost of sales		(235,720)	(786,410)	(235,720)	(786,410)
Gross profit		292,631	1,234,732	292,631	1,234,732
Other income		6,137	266,263	6,137	266,263
Interest income		266,932	1,729	266,932	1,729
Impairment gain on financial assets		134,029	-	134,029	-
Administration expenses		(633,132)	(1,089,143)	(633,132)	(1,089,143)
Other expenses		(55,819)	-	(55,819)	-
Finance cost		(12,149)	(1,699)	(12,149)	(1,699)
(Loss)/Profit before taxation		(1,371)	411,882	(1,371)	411,882
Taxation		-	-	-	-
(Loss)/Profit for the financial period		(1,371)	411,882	(1,371)	411,882
Other comprehensive loss		-	(240,389)	-	(240,389)
Total comprehensive (loss)/profit for the financial period		(1,371)	171,493	(1,371)	171,493
<b>(Loss)/Profit attributable to:-</b>					
Owners of the Company		(1,371)	411,882	(1,371)	411,882
Non-controlling interest		-	-	-	-
		(1,371)	411,882	(1,371)	411,882
<b>Total comprehensive (loss)/profit attributable to:-</b>					
Owners of the Company		(1,371)	171,493	(1,371)	171,493
Non-controlling interest		-	-	-	-
		(1,371)	171,493	(1,371)	171,493
(Loss)/Earning per share attribute to equity holders of the Company (sen)					
-Basic	<b>B10</b>	(0.0004)	0.1551	(0.0004)	0.1551

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

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2020

	As at 30.06.2020 (Unaudited) RM	As at 31.03.2020 (Audited) RM
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,155,749	1,668,922
Other investments	9,432,787	9,432,787
Contract costs	-	74,152
<b>Total non-current assets</b>	<u>10,588,536</u>	<u>11,175,861</u>
<b>Current assets</b>		
Trade receivables	689,063	801,962
Other receivables	671,460	356,590
Contract costs	239,364	286,081
Tax recoverable	17,743	9,176
Other investments	31,849	31,849
Fixed deposits with licensed banks	43,481,343	30,282,500
Cash and bank balances	9,635,291	22,581,715
<b>Total current assets</b>	<u>54,766,113</u>	<u>54,349,873</u>
<b>TOTAL ASSETS</b>	<u><b>65,354,649</b></u>	<u><b>65,525,734</b></u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Lease liabilities	633,463	663,584
Contract liabilities	126,665	205,429
<b>Total non-current liabilities</b>	<u>760,128</u>	<u>869,013</u>
<b>Current liabilities</b>		
Trade payables	230,119	404,668
Other payables	1,411,701	1,072,593
Contract liabilities	346,310	565,916
Lease liabilities	189,594	195,376
Bank borrowings	1,090,295	1,090,295
Provision for taxation	211	211
<b>Total current liabilities</b>	<u>3,268,230</u>	<u>3,329,059</u>
<b>TOTAL LIABILITIES</b>	<u><b>4,028,358</b></u>	<u><b>4,198,072</b></u>

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2020 (CON'T)

	As at 30.06.2020 (Unaudited) RM	As at 31.03.2020 (Audited) RM
<b>Equity attributable to owners of the Company</b>		
Share capital	46,146,632	46,146,632
Irredeemable convertible preference shares	39,822,853	39,822,853
Share option reserve	66,394	66,394
Fair value reserve	(950,588)	(950,588)
Accumulated losses	<u>(23,759,000)</u>	<u>(23,757,629)</u>
	61,326,291	61,327,662
Non-controlling interests	<u>-</u>	<u>-</u>
<b>Total equity</b>	<u>61,326,291</u>	<u>61,327,662</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>65,354,649</b></u>	<u><b>65,525,734</b></u>
Net asset per share attributable to owners of the Company (RM)	<u>0.1925</u>	<u>0.1925</u>

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020

	<----- Attributable To Owners of the Company ----->						
	<----- Non-Distributable ----->				Distributable		
	Share capital RM	Irredeemable convertible preference shares RM	Share option reserve RM	Fair value reserve RM	Foreign currency translation reserve RM	Accumulated losses RM	Total equity RM
<b>At 1 April 2019</b>	32,872,348	-	67,802	(556,873)	(161,656)	(15,233,966)	16,987,655
Net profit for the financial period	-	-	-	-	-	411,882	411,882
Other comprehensive loss for the period	-	-	-	-	(240,389)	-	(240,389)
Total comprehensive (loss)/profit for the period	-	-	-	-	(240,389)	411,882	171,493
<b>Transaction with owners:</b>							
Reversal of share-based payment under ESOS	-	-	(1,408)	-	-	-	(1,408)
<b>Balance at 30 June 2019</b>	32,872,348	-	66,394	(556,873)	(402,045)	(14,822,084)	17,157,740
<b>At 1 April 2020</b>	46,146,632	39,822,853	66,394	(950,588)	-	(23,757,629)	61,327,662
Net loss for the financial year	-	-	-	-	-	(1,371)	(1,371)
Other comprehensive loss for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	(1,371)	(1,371)
<b>Balance at 30 June 2020</b>	46,146,632	39,822,853	66,394	(950,588)	-	(23,759,000)	61,326,291

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

CONDENSED CONSOLIDATED STATEMENTS OF CASHFLOWS  
FOR THE YEAR ENDED 30 JUNE 2020

	Current Year Quarter 30.06.2020 RM	Preceding Year Quarter 30.06.2019 RM
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
<b>Loss/(Profit) before taxation</b>	(1,371)	411,882
Adjustments for:-		
Non-cash items	(32,700)	52,726
Non-operating items	(198,964)	1,699
<b>Operating (loss)/income before working capital changes</b>	<u>(233,035)</u>	<u>466,307</u>
Net changes in current assets	52,927	(645,177)
Net changes in current liabilities	(133,811)	(113,060)
<b>Cash used in operations</b>	<u>(313,919)</u>	<u>(291,930)</u>
Interest paid	(12,149)	(1,699)
Income tax refund	-	201,344
Income tax paid	(8,567)	(470)
<b>Net cashflow used in operating activities</b>	<u>(334,635)</u>	<u>(92,755)</u>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Interest received	266,932	-
Purchase of property, plant and equipment	(3,975)	(85,000)
Proceeds from disposal of property, plant and equipment	360,000	-
<b>Net cashflow generated from/(used in) investing activities</b>	<u>622,957</u>	<u>(85,000)</u>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(35,903)	(22,148)
<b>Net cashflow used in financing activities</b>	<u>(35,903)</u>	<u>(22,148)</u>
Net changes in cash and cash equivalents	252,419	(199,903)
Effect on exchange rate differences	-	(244,492)
Cash and cash equivalents at beginning of period	51,747,488	2,534,689
Cash and cash equivalents at end of period	<u>51,999,907</u>	<u>2,090,294</u>
<b>Analysis of cash and cash equivalents</b>		
Other investments	31,849	46,979
Bank borrowings	(1,090,295)	(1,644,643)
Fixed deposits	43,481,343	58,281
Cash and bank balances	9,635,291	3,687,958
	<u>52,058,188</u>	<u>2,148,575</u>
Less: Fixed deposits pledged	(58,281)	(58,281)
	<u>51,999,907</u>	<u>2,090,294</u>

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

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements of MSCM Holdings Berhad (“MSCM” or the “Company”) and its subsidiary companies (“Group”) for the financial year ended 31 March 2020.

The accounting policies adopted by the Group in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2020 except for the adoption of the new and revised MFRSs which are mandatory for financial periods beginning on or after 1 April 2020.

**A2. Qualification of financial statements**

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

**A3. Seasonal or cyclical factors**

The business of the Group was not materially affected by any significant seasonal or cyclical factors during the current quarter under review.

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current quarter under review.

**A5. Significant estimates and changes in estimates**

There were no changes in the estimates of amounts reported in the prior financial period, which have a material effect in the current quarter under review.

**A6. Debts and equity securities**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares during the current quarter under review.

**A7. Dividends paid**

There was no dividend paid during the current quarter under review.

**A8. Segmental information**

The Group's segment report is presented based on its operating segments as follows:-

Segment revenue	Individual Period		Cumulative Period	
	Quarter ended	Quarter ended	Year-to-date ended	Year-to-date ended
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Search & Advertising	528	1,997	528	1,997
Investment holding & others	-	24	-	24
Less: Inter-segment revenue	-	-	-	-
Consolidated revenue	528	2,021	528	2,021

  

Segment results	Individual Period		Cumulative Period	
	Quarter ended	Quarter ended	Year-to-date ended	Year-to-date ended
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Search & Advertising	208	582	208	582
Investment holding & others	(209)	(170)	(209)	(170)
Consolidated loss/(profit) before tax	(1)	412	(1)	412

**A9. Valuation of property, plant and equipment**

The Group did not revalue any of its property, plant and equipment during the current quarter under review.

**A10. Material events subsequent to the end of the interim period**

The following were the material events subsequent to the financial period ended 30 June 2020:

- (i) On 5 August 2020, the Board of Directors of MSCM announced that the Company proposes to seek its shareholders' approval to change the name of the Company from MSCM Holdings Berhad to Hong Seng Consolidated Berhad at a general meeting to be convened on a date to be announced;
- (ii) On 5 August 2020, the Board of Directors of MSCM announced that the Company had issued a Letter of Intent ("LOI") to eMedAsia Sdn. Bhd. ("eMedAsia"), which was accepted by eMedAsia, indicating the Company's interest to invest a total of RM2.0 million for a 20% stake in eMedAsia and to be eMedAsia's exclusive fourth party logistic ("4PL") service provider. On 12 August 2020, the Company and eMedAsia had on 12 August 2020 agreed that MSCM's rights, duties and obligations as provided in the LOI shall be granted and assigned to its 51% owned subsidiary, namely HS Bio Supplies Sdn. Bhd. (formerly known as HC MSC Sdn. Bhd.) ("HSBS");
- (iii) On 7 August 2020, total of 183,919,900 ordinary shares have been issued pursuant to the conversion of 183,919,900 ICPS by the way of conversion of 1 unit ICPS with payment of RM0.15 in cash for 1 new ordinary shares;
- (iv) On 10 August 2020, the Board of Directors of MSCM announced that the Company had on 7 August 2020 incorporated a wholly-owned subsidiary, namely Hong Seng Gloves Sdn Bhd ("HSGSB") with an initial share capital of RM100.00 comprising 100 ordinary shares. HSGSB is principally engaged in manufacturing and trading of gloves and masks; and



**A10. Material events subsequent to the end of the interim period (Cont'd)**

- (v) On 10 August 2020, the Board of Directors of MSCM announced that its wholly-owned subsidiary, Hong Seng Gloves Sdn. Bhd. (“HSG”) had on 10 August 2020 entered into a conditional tenancy agreement (“Agreement”) with a related party, HS Vision One Sdn. Bhd. to rent 4 blocks of single-storey factory building, a single-storey office building and a single-storey canteen erected on a parcel of leasehold land measuring approximately 217,800 square feet held under H.S.(M) 19719, PT 8573 in Lot 97, Jalan Sepuluh, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah, upon the terms and conditions mutually agreed upon and stipulated in the Agreement.

**A11. Changes in composition of the Group**

There were no major changes in the composition of the Group for the current quarter under review.

**A12. Capital commitments**

There were no material capital commitments that have a material effect in the current quarter under review.

**A13. Contingent assets or liabilities**

There were no changes in contingent assets or liabilities in the current quarter under review.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS  
OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of performance**

**1.1 Financial review for quarter ended and financial year-to-date**

	Individual Period		Variances		Cumulative Period		Variances	
	Quarter ended	Quarter ended			Year ended	Year ended		
	30.06.2020	30.06.2019	30.06.2020	30.06.2019	Amount	%		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Revenue	528	2,021	(1,493)	(73.9)	528	2,021	(1,493)	(73.9)
Profit before interest and tax								
before share of results of an associate	11	414	(403)	97.3	11	414	(403)	(97.3)
Profit before interest and tax	11	414	(403)	97.3	11	414	(403)	(97.3)
(Loss)/Profit before tax	(1)	412	(413)	100.2	(1)	412	(413)	(100.2)
(Loss)/Profit after tax	(1)	412	(413)	100.2	(1)	412	(413)	(100.2)
(Loss)/Profit attributable to owner of the company	(1)	412	(413)	100.2	(1)	412	(413)	(100.2)

Revenue

The Group revenue for the current quarter under review of RM0.5 million decreased by 74% as compared to last year same quarter of RM2.0 million mainly due to disposal of subsidiaries from Search & Advertising division in Cambodia which was completed in March 2020.

Loss before interest and tax ("LBIT")

The Group LBIT for current quarter of RM0.01 million was decreased by RM0.41 million as compared to same quarter of the preceding year profit of RM0.413 million mainly due to drop in the revenue in the current year quarter.

**B1. Review of performance (cont'd)**

**1.2. Financial review for current quarter with immediate preceding quarter**

	Current quarter ended 30.06.2020 RM'000	Immediate preceding quarter ended 31.03.2020 RM'000	Variances	
			Amount RM'000	%
Revenue	528	336	192	57.1
Profit/(Loss) before interest and tax before share of results of an associate	11	(8,084)	8,095	(100.1)
Profit/(Loss) before interest and tax	11	(8,084)	8,095	(100.1)
Loss before tax	(1)	(8,242)	8,241	(100.0)
Loss after tax	(1)	(8,215)	8,214	(100.0)
Loss attributable to owner of the company	(1)	(8,215)	8,214	(100.0)

Revenue

The Group revenue for the current quarter increased by 57% as compared to immediate preceding quarter was mainly due to increase on new customers for July 2020's printing.

Loss before interest and tax

The Group recorded a loss of RM0.01 million for the current quarter as compared to loss of RM8.08 million for the immediate preceding quarter. This is mainly due to bad debt written off and impairment loss on trade receivables provided in the immediate preceding quarter.

**1.3. Analysis of the performance of business segments**

Search and Advertising ("S&A") business segment

	Individual Period		Cumulative Period	
	Quarter ended 30.06.2020 RM'000	Quarter ended 30.06.2019 RM'000	Year-to-date ended 30.06.2020 RM'000	Year-to-date ended 30.06.2019 RM'000
Revenue	528	1,997	528	1,997
Cost of sales	(236)	(765)	(236)	(765)
Gross profit	292	1,232	292	1,232
Other income	-	267	-	267
Operating expenses	(72)	(915)	(72)	(915)
Finance costs	(12)	(2)	(12)	(2)
Profit before taxation	<b>208</b>	<b>582</b>	<b>208</b>	<b>582</b>

Revenue

Revenue from S&A business segment decreased by 74% or RM1.5 million as compared to same quarter of the preceding year ended 30 June 2019. The drop is mainly due to disposal of subsidiaries from Search & Advertising division in Cambodia which was completed in March 2020.

**B1. Review of performance (cont'd)**

**1.3. Analysis of the performance of business segments (cont'd)**

Business Segment by Countries

The details of the Group's business segments by countries and exchange ratio used as below:-

	Quarter ended 30.06.2020		Quarter ended 30.06.2019		
	Malaysia RM'000	Total RM'000	Malaysia RM'000	Cambodia RM'000	Total RM'000
Revenue	528	528	1,189	832	2,021
Loss before interest and tax before share of results of an associate	11	11	662	(248)	414
Loss before interest and tax	11	11	662	(248)	414
Loss before tax	(1)	(1)	660	(248)	412
Loss after tax	(1)	(1)	660	(248)	412
Loss attributable to owner of the company	(1)	(1)	660	(248)	412

Exchange Rate Ratio Used (2019/2020)	
	MYR
1 USD Dollar :	4.1335
100 Indonesia Rupiah :	0.0293

The exchange rate ratio used is based on Bank Negara exchange rate as per balance sheet date.

**B2. Group's prospects**

The Group expects 2020/2021 to be a challenging year. The S&A business in Malaysia continues to face challenges such as low economic activities and confidence.

The Group will continue to explore new business development in supply cold chain management where initial foray will be in cold chain business to enhance the Company's performance.

Looking at the current economic sentiments, the Board is currently exploring the financial services segment. On 18 November 2019, Food Cheetah Sdn Bhd, a wholly-owned subsidiary of the Company, has received the Money Lending License issued by the Registrar of Moneylenders of Kementerian Perumahan dan Kerajaan Tempatan on 15 November 2019.

On 24 July 2020, the Company has obtained approval from its shareholders to diversify and expand its business activities to include moneylending business. Such diversification enables the Group to tap into new business areas which will provide additional revenue streams to our Group while setting up the supply chain management business. The Board believes that this will be part of the Group's business plan to improve its financial performance as well as its shareholders' value. In addition, the diversifications will allow the Group to reduce reliance on its existing businesses.

This business will provide financial solutions to transportation and logistics entrepreneurs/companies which could complement our Group's supply chain management business in future.

Our management believes that despite challenging economic environment amid the COVID-19 pandemic, the impact of COVID-19 on the outlook of economy is likely to be significant in the short term. Our Group is expected to remain resilient while entering this period with liquidity buffers and will seize every opportunity premised on the above to improve our Group's operations and financial performances in the future.

**B3. Statement of the board of directors' opinion on profit estimate, forecast, projection or internal targets**

The Group has not provided any profit estimate, forecast, and projection in any public documents.

**B4. Variance on profit forecast**

The Group has not issued any profit forecast in any public comment.

**B5. Status of corporate proposal**

Save from the following, there were no corporate proposal announced but not completed as at 15 August 2020, being the last practicable date from the date of the issue of this report.

**Completed Corporate Exercise**

(i) On 30 November 2018, the Board Directors of MSCM (the "Board") announced that the Company proposes to undertake the followings:-

- (a) proposed renounceable rights issue of up to 53,253,497 new ordinary shares in MSCM ("MSCM Shares") ("Rights Shares") on the basis of 1 Rights Share for every 5 existing MSCM Shares held at an issue price of RM0.25 per Rights Share, together with up to 159,760,491 free detachable warrants in MSCM ("Warrants") on the basis of 3 Warrants for every 1 Rights Share subscribed for ("Proposed Rights Issue of Shares with Warrants");
- (b) proposed renounceable rights issue of up to 798,802,455 new irredeemable convertible preference shares in MSCM ("ICPS") on the basis of 3 ICPS for every 1 existing MSCM Share held at an issue price of RM0.05 per ICPS ("Proposed Rights Issue of ICPS");
- (c) proposed diversification of the existing business of MSCM and its subsidiaries to include supply chain management business ("Proposed Diversification"); and
- (d) proposed amendments to the constitution of MSCM ("Constitution") to facilitate the Proposed.

(ii) On 2 October 2019, the Board announced that:-

- (a) the Rights Issue of Shares with Warrants has been completed with the listing of 53,097,137 Rights Shares together with 159,291,411 Warrants; and
- (b) the Rights Issue of ICPS has been completed with the listing of 796,457,055 ICPS,

on the Main Market of Bursa Securities on 2 October 2019.

**On-going Corporate Exercise**

(i) On 20 March 2020, the Board of Directors of MSCM (the "Board") announced that the Company proposes to undertake the followings:-

- (a) the proposed diversification of the existing businesses of the Group to include money lending business ("Proposed Diversification"); and
- (b) proposed variation to the utilisation of proceeds raised from the rights issue of shares with warrants and rights issue of irredeemable convertible preference shares ("Proposed Variation").

The Proposed Diversification is subject to the approval from the shareholders of MSCM at the forthcoming extraordinary general meeting to be convened.

(ii) On 23 June 2020, the Company announced that MSCM' Extraordinary General Meeting ("EGM") will be held on 24 July 2020 at Ballroom III, Main Wing, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, Tropicana Golf and Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

(iii) On 24 July 2020, the Board announced that the resolution as prescribed in the notice convening the Extraordinary General Meeting ("EGM") of the Company dated 24 June 2020 was duly passed by way of poll at the EGM held on 24 July 2020.

**B6. Utilisation of proceeds**

Status of utilisation of proceeds raised from corporate proposals (Rights Issue of Shares with Warrants and Rights Issue of ICPS) as at 30 June 2020 are as follows:-

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Intended timeframe for utilisation
Capital expenditure and rental deposits	33,340	624	Within 36 months
Working capital requirements	18,557	715	Within 36 months
Estimated expenses in relation to the Corporate Exercises	1,200	1,090 *	Within 2 weeks
	53,097	2,429	

\* Any variation in the actual amount of the expenses for the corporate exercises will be adjusted accordingly to/from the funding for the workings capital requirements of our Group.

**B7. Group's borrowings and debts securities**

The details of the Group's borrowings and debts securities outstanding as at 30 June 2020 are as follows:-

	Quarter ended 30.06.2020			Quarter ended 30.06.2019		
	Long Term RM'000	Short Term RM'000	Total RM'000	Long Term RM'000	Short Term RM'000	Total RM'000
<b>Secured</b>						
Lease liabilities	633	190	823	75	52	127
<b>Unsecured</b>						
Bank Overdraft	-	1,090	1,090	-	1,645	1,645
<b>Total Borrowings</b>	<b>633</b>	<b>1,280</b>	<b>1,913</b>	<b>75</b>	<b>1,697</b>	<b>1,772</b>

All borrowings are denominated in Ringgit Malaysia and The Group does not have foreign currency borrowings.

The bank borrowings obtained from local banks bears interest of 2.75% to 8.35% (2020: 2.75% to 8.35%).

**B8. Material litigation**

The Group is 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 as at the date of this report.

**B9. Dividends**

No dividend has been declared/paid during the quarter under review.

**B10. Loss per share**

The basis of loss per share is calculated by dividing the net loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period.

There is no computation for diluted loss per share as it is anti-dilutive in nature.

		Individual Period		Cumulative Period	
		Quarter ended	Quarter ended	Year-to-date	Year-to-date
		30.06.2020	30.06.2019	30.06.2020	30.06.2019
Loss attributable to owners of the Company	(RM'000)	(1)	412	(1)	412
Weighted average number of ordinary shares in issue	(Unit'000)	318,583	265,486	318,583	265,486
Basic loss per share	(sen)	(0.0004)	0.1552	(0.0004)	0.1552

**B11. Qualification of financial statements**

The Company's preceding annual financial statements was not subject to any audit qualifications.