



# **DAYA MATERIALS BERHAD**

**(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)**

## **Quarterly Report 30 September 2020**

# DAYA MATERIALS BERHAD

(Registration No.: 200301033936 (636357-W))

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS QUARTERLY REPORT ON THE UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.9.2020 RM'000	30.9.2019 RM'000	30.9.2020 RM'000	30.9.2019 RM'000
Revenue	14,751	-	14,751	-
Cost of Sales	(12,525)	-	(12,525)	-
Gross Profit	2,226	-	2,226	-
Other Income	1,226	-	1,226	-
Operating Expenses	(4,858)	-	(4,858)	-
Loss from Operations	(1,406)	-	(1,406)	-
Finance Costs	(2,561)	-	(2,561)	-
Share of Results of Joint Ventures	-	-	-	-
Loss Before Tax	(3,967)	-	(3,967)	-
Income Tax Expense	(48)	-	(48)	-
Loss for the Period, net of tax	(4,015)	-	(4,015)	-
Attributable to :				
Owners of the Company	(4,133)	-	(4,133)	-
Non-controlling Interests	118	-	118	-
	<u>(4,015)</u>	<u>-</u>	<u>(4,015)</u>	<u>-</u>
Loss per share (sen)				
- Basic	(0.20)	-	(0.20)	-
- Diluted	(0.20)	-	(0.20)	-

Note:

- i) In view of the change in previous financial year end from 31 December 2019 to 30 June 2020, there were no comparative financial information available presented due to the change of financial year end.
- ii) These condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and accompanying explanatory notes attached to these interim financial statements.

# DAYA MATERIALS BERHAD

(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME QUARTERLY REPORT ON THE UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 30 September 2020

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.9.2020 RM'000	30.9.2019 RM'000	30.9.2020 RM'000	30.9.2019 RM'000
Loss for the Period, net of tax	<u>(4,015)</u>	<u>-</u>	<u>(4,015)</u>	<u>-</u>
Other Comprehensive Income:				
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation differences for foreign subsidiaries	2,691	-	2,691	-
Total Comprehensive Loss for the Period, net of tax	<u>(1,324)</u>	<u>-</u>	<u>(1,324)</u>	<u>-</u>
Total Comprehensive (Loss)/Income for the period attributable to:				
Owners of the Company	(1,442)	-	(1,442)	-
Non-controlling Interests	118	-	118	-
	<u>(1,324)</u>	<u>-</u>	<u>(1,324)</u>	<u>-</u>

Note:

- i) In view of the change in previous financial year end from 31 December 2019 to 30 June 2020, there were no comparative financial information available presented due to the change of financial year end.
- ii) These condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and accompanying explanatory notes attached to these interim financial statements.

# DAYA MATERIALS BERHAD

(Registration No.: 200301033936 (636357-W))

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	30.9.2020 RM'000 Unaudited	30.6.2020 RM'000 Audited
<b>Non Current Assets</b>		
Property, plant and equipment	19,494	19,856
Right-of-use assets	3,803	3,903
Inventories	11,401	11,401
Investment properties	10,250	10,250
Intangible assets	959	976
Deferred tax assets	66	66
Total Non Current Assets	<u>45,973</u>	<u>46,452</u>
<b>Current Assets</b>		
Inventories	13,820	13,896
Trade receivables	48,321	40,533
Other receivables, deposits and prepaid expenses	10,623	11,257
Contract assets	4,507	3,783
Tax recoverable	1,084	3,155
Marketable securities	55	58
Restricted cash	7,865	7,662
Deposits, cash and bank balances	44,557	46,581
Total Current Assets	<u>130,832</u>	<u>126,925</u>
<b>Current Liabilities</b>		
Loans and borrowings	200,668	201,251
Trade payables	102,008	96,219
Provisions, other payables and accrued expenses	63,668	67,173
Contract liabilities	9,352	6,020
Tax liabilities	625	837
Total Current Liabilities	<u>376,321</u>	<u>371,500</u>
<b>Net Current Liabilities</b>	(245,489)	(244,575)
	<u>(199,516)</u>	<u>(198,123)</u>
<b>Financed by:</b>		
Share capital	271,229	271,229
Reserves	(476,986)	(475,544)
	(205,757)	(204,315)
Non-controlling interests	4,673	4,555
Capital Deficiency	(201,084)	(199,760)
<b>Non Current Liabilities</b>		
Loans and borrowings	597	666
Deferred tax liabilities	971	971
Total Non Current Liabilities	<u>1,568</u>	<u>1,637</u>
	<u>(199,516)</u>	<u>(198,123)</u>
<b>Net liabilities per share (sen)</b>	<u>(10.07)</u>	<u>(10.00)</u>

These condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and accompanying explanatory notes attached to these interim financial statements.

# DAYA MATERIALS BERHAD

(Registration No.: 200301033936 (636357-W))

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY QUARTERLY REPORT ON THE UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 30 September 2020

	<-----Attributable to Equity Holders of the Company----->						
	<----- Non-Distributable ----->			Distributable			
	Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Revaluation reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- controlling interests RM'000	Total RM'000
<b><u>3 months ended 30 September 2020</u></b>							
<b>At 1 July 2020</b>	271,229	(11,266)	870	(465,148)	(204,315)	4,555	(199,760)
(Loss)/Profit for the Period	-	-	-	(4,133)	(4,133)	118	(4,015)
Other Comprehensive Income for the Period	-	2,691	-	-	2,691	-	2,691
Total Comprehensive Income/(Loss) for the Period	-	2,691	-	(4,133)	(1,442)	118	(1,324)
<b>At 30 September 2020</b>	<u>271,229</u>	<u>(8,575)</u>	<u>870</u>	<u>(469,281)</u>	<u>(205,757)</u>	<u>4,673</u>	<u>(201,084)</u>
<b><u>3 months ended 30 September 2019</u></b>							
<b>At 1 July 2019</b>	-	-	-	-	-	-	-
Profit for the Period	-	-	-	-	-	-	-
Other Comprehensive Income for the Period	-	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	-	-	-	-
<b>At 30 September 2019</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Note:**

- i) In view of the change in previous financial year end from 31 December 2019 to 30 June 2020, there were no comparative financial information available presented due to the change of financial year end.
- ii) These condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2020 and accompanying explanatory notes attached to these interim financial statements.

# DAYA MATERIALS BERHAD

(Registration No.: 200301033936 (636357-W))

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS QUARTERLY REPORT ON THE UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020

	Current Period Ended 30.9.2020 RM'000	Corresponding Period Ended 30.9.2020 RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Loss before tax	(3,967)	-
Adjustments for:		
Amortisation on intangible assets	19	-
Depreciation of property, plant and equipment	424	-
Depreciation of right-of-use assets	87	-
Fair value loss on marketable securities	3	-
Finance costs	2,561	-
Interest income	(529)	-
Net gain on disposal of property, plant & equipment	(201)	-
Net gain on disposal of right-of-use assets	(50)	-
Property, plant and equipment written off	2	-
Unrealised foreign exchange loss	14	-
Operating loss before working capital changes	(1,637)	-
Decrease/(Increase) in:		
Inventories	76	-
Trade receivables	(7,802)	-
Other receivables, deposits and prepaid expenses	634	-
Contract assets	(724)	-
Trade and other payables	189	-
Contract liabilities	3,332	-
Cash Flows Used In Operations	(5,932)	-
Tax refund (net of tax paid)	1,810	-
<b>Net Cash Used In Operating Activities</b>	(4,122)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(76)	-
Purchase of intangible assets	(1)	-
Proceeds from disposal of property, plant and equipment	215	-
Proceeds from disposal of right-of-use assets	63	-
Placement of restricted cash	(202)	-
Increase in pledged deposits placed with licensed banks	(511)	-
Interest received	529	-
<b>Net Cash From Investing Activities</b>	17	-

# DAYA MATERIALS BERHAD

(Registration No.: 200301033936 (636357-W))

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS QUARTERLY REPORT ON THE UNAUDITED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2020

	Current Period Ended 30.9.2020 RM'000	Corresponding Period Ended 30.9.2020 RM'000
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Net drawdown of loans and borrowings	1,073	-
decrease in bank overdrafts	(6)	-
Interest paid	(466)	-
<b>Net Cash From Financing Activities</b>	<b>601</b>	<b>-</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,504)</b>	<b>-</b>
Effect of exchange rate fluctuation on cash and cash equivalents	970	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>20,568</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>18,034</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		
Cash and bank balances	17,889	-
Fixed deposits with licenced banks	26,668	-
	44,557	-
Less: Fixed deposits pledged with licensed banks	(26,523)	-
	18,034	-

Note:

- In view of the change in previous financial year end from 31 December 2019 to 30 June 2020, there were no comparative financial information available presented due to the change of financial year end.
- The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the period ended 31 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

## **A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING**

### **A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of the Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 June 2020.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 June 2020.

As announced to Bursa Malaysia on 29 May 2019, the Company has changed its financial year end from 31 December to 30 June. Consequently, the comparative figures are not comparable for the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidation statements of changes in equity, condensed consolidated statements of cash flows and the related notes.

The financial statements of the Group have been prepared on the assumption that the Group will continue as going concern. The application of the going concern basis is on the assumption that the Group will be able to realise their assets and settle their liabilities in the normal course of business.

- (a) As of 30 September 2020, the Group have a capital deficiency of RM201.1 million and the current liabilities of the Group had exceeded the current assets by RM245.5 million as a result of losses incurred during the current year and previous financial years.
- (b) On 28 February 2018, the Company announced that it has become an affected listed issuer pursuant to Paragraph 8.04 and Paragraph 2.1 (a) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). As an affected listed issuer, the Company is required to submit a regularisation plan to address the PN17 status within 12 months from 28 February 2018 to the relevant authorities for approval. However, the Company had, on 15 February 2019 made an application to Bursa Malaysia for extension of time up to 27 August 2019 to submit a regularisation plan to the relevant authorities. On 8 March 2019, the Company announced that it has obtained an extension of time up to 27 August 2019 for submission of a regularisation plan. The Company has on 19 August 2019 submitted an application to Bursa Securities seeking its approval for a further extension of time to submit the regularisation plan to Bursa Securities. The Company announced on 24 September 2019 that Bursa Securities has granted further extension of time up to 27 February 2020 for the Company to submit its regularisation plan to the regulatory authorities. On 25 February 2020, the Company submitted an application to Bursa Securities seeking its approval for third extension of time to submit its proposed regularisation plan. Bursa Securities has, via its letter dated 16 April 2020, granted the Company further extension of time up to 27 September 2020 for submission of its regularisation plan.
- (c) As disclosed in Note B9(c), Daya Maritime Limited ("DML"), a subsidiary of the Company and the Company being the corporate guarantor, had on 16 November 2018 received a writ of summons together with the statement of claim dated 8 November 2018 from a licensed financial institution relating to principal outstanding and late payment penalty of Islamic financing facility amounting to USD14,490,768 (equivalent to RM60,223,632). On 18 April 2019, the Kuala Lumpur High Court's judge has allowed the licensed financial institution's application for summary judgement to be entered. The total amount of the principal outstanding as of 30 September 2019 had been classified as current liabilities and late payment penalty had been accrued up to 30 September 2019 and included in other payables and accrued expenses.
- (d) As disclosed in Note A10, subsequent to the current interim financial period, certain subsidiaries of the Company had received letter of reminder, notices of demand and intention to repossess from licensed financial institutions for failure to pay the monthly instalments under the hire-purchase facilities granted by the licensed financial institutions. Certain subsidiaries of the Company had also defaulted the repayment of certain trade facilities. The Company acts as corporate guarantor for these credit facilities.

In the event of default in payment, the licensed financial institutions shall have the right to terminate and/or recall the hire-purchase and trade facilities without further notice and take legal action against the subsidiaries and the Company, as corporate guarantor.



**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**A1 Basis of Preparation (cont'd)**

The directors have concluded that the combination of the circumstances highlighted above indicate significant matters that may cast significant doubt over the ability of the Group to continue as going concern. Should the going concern basis for the preparation of the financial statements be no longer appropriate, adjustments will have to be made to restate the carrying value of the assets to their recoverable amounts and to provide for further liabilities which may arise.

The Company is in the midst of formulating a Proposed Regularisation Plan to address the financial condition of the Group and believes that the Proposed Regularisation Plan once formulated and implemented, together with the disposal of identified assets in order to generate cash flows to make timely repayments of loans and borrowings and the ability of the Group to achieve sustainable and viable operations, will enable the Group to reduce liabilities and generate sufficient cash flows to meet their obligations.

For these reasons, the directors are of the opinion that the Group will be able to continue in operational existence for the foreseeable future and to realise their assets and settle their liabilities in the ordinary course of business.

The appropriateness of the going concern basis, amongst others, are dependent upon the following:

- (i) Formulation of a viable plan to regularise the financial conditions of the Group ("Regularisation Plan") for submission to Bursa Malaysia and other relevant authorities for approval;
- (ii) Approvals obtained from all relevant parties on the Regularisation Plan;
- (iii) Timely and successful implementation of the Regularisation Plan;
- (iv) Ability of the Group and of the Company to dispose of identified assets in order to generate cash flows to make timely repayments of loans and borrowings; and
- (v) Ability of the Group and of the Company to achieve sustainable and viable operations to generate sufficient cash flows to enable them to meet their obligations as and when they fall due.

**A2 Significant Accounting Policies**

In the preparation of this condensed consolidated interim financial statements, the accounting policies and the method of computation of the most recent annual financial statements were followed except as disclosed below:-

**(a) Adoption of Standards, Amendments and Annual Improvements to Standards**

The Group adopted the following MFRs, Amendments to MFRSs and IC Interpretation as listed below:-

Description		Effective for annual periods beginning on or after
Amendments to MFRS 3	Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108	Definition of Material	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 2	Shared-Based Payment	1 January 2020
Amendments to MFRS 3	Business Combinations	1 January 2020
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020
Amendments to MFRS 14	Regulatory Deferral Accounts	1 January 2020
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2020
Amendments to MFRS 108	Accounting Policies, Changes un Accounting Estimates and Errors	1 January 2020
Amendments to MFRS 134	Interim Financial Reporting	1 January 2020
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020
Amendments to MFRS 138	Intangible Assets	1 January 2020
Amendments to IC Interpretation 12	Service Concession Arrangements	1 January 2020
Amendments to IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020
Amendments to IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2020

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**A2 Significant Accounting Policies (cont'd)**

**(a) Adoption of Standards, Amendments and Annual Improvements to Standards (cont'd)**

The Group adopted the following MFRs, Amendments to MFRSs and IC Interpretation as listed below:- (cont'd)

Description		Effective for annual periods beginning on or after
Amendments to IC Interpretation 22	Foregin Currency Trasanctions and Advance Consideration	1 January 2020
Amendments to IC Interpretation 132	Intangible Assets - Web Site Costs	1 January 2020
Amendments to MFRS 16	Covid-19-Related Rent Concessions	1 June 2020

**(b) Standards and Amendments in issue but not yet effective**

At the date of authorisation of these interim financial statements, the following MFRSs and Amendments to MFRSs were in issue but not yet effective and not early adopted by the Group are as listed below:

Description		Effective for annual periods beginning on or after
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9	Effective immediately
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 1	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 116	Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 141	Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined

The directors anticipate that the abovementioned new and revised MFRS and Amendments to MFRS will be adopted in the financial statements of the Group when they become effective and that the adoption of these standards will have no material impact on the financial statements of the Group in the period of initial application.

**A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial period ended 30 June 2020 contained qualification opinion.

The Independent Auditors have expressed a basis of qualified opinion section in respect of assertion concerning on opening balance, insufficient documents and/or evidence pertaining to transactions in the financial period ended 30 June 2020, and material uncertainty relating to going concern.

**A4 Seasonal or Cyclical Factors**

The business of the Group is not subject to any seasonal or cyclical fluctuation.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the period under review.

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**A6 Changes in Significant Accounting Estimates and Judgements**

There were no significant changes in the estimates of the amount reported in the period under review.

**A7 Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the period under review.

**A8 Dividends Paid**

No dividend has been declared or paid for current financial period (2020: RM Nil).

**A9 Change of Financial Year End**

As announced to Bursa Malaysia on 29 May 2019, the Board of Directors had on the day approved the change of financial year end of the Company from 31 December to 30 June. Therefore, these unaudited condensed consolidated financial statements are for a period of 3 months from July 1, 2020 to September 30, 2020 being the first quarter of the financial year ending June 30, 2021. Due to the change in the financial year, the performance of the current financial quarter ended September 30, 2020 is not comparable with the first quarter of the previous financial period ended June 30, 2020.

**A10 Segment Information**

Due to the change in the financial year end as stated in Note A9, no comparative figures are presented.

Segmental reporting of the Group's result for the financial quarter is as follows:

**Results for 3 months ended 30 September 2020**

<b>Business Segment</b>	<b>Oil &amp; Gas RM'000</b>	<b>Technical Services RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Revenue	8,266	6,485	-	14,751
Segment Results	(720)	548	21	(151)
Corporate/Unallocated Costs				(1,255)
Loss from Operations				(1,406)
Finance Costs				(2,561)
Loss Before Tax				(3,967)
Income Tax Expense				(48)
Loss for the Period, net of tax				(4,015)

**Results for 3 months ended 30 September 2019**

<b>Business Segment</b>	<b>Oil &amp; Gas RM'000</b>	<b>Technical Services RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Revenue	-	-	-	-
Segment Results	-	-	-	-
Corporate/Unallocated Costs				-
Loss from Operations				-
Finance Costs				-
Share of Results of Joint Ventures				-
Loss Before Tax				-
Income Tax Expense				-
Loss for the Period, net of tax				-

**A11 Valuation of Property, Plant and Equipment**

The Group does not adopt a revaluation policy on its property, plant and equipment.

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**A12 Subsequent Events**

There were no materials events subsequent to the current interim financial period up to the date of this report except for the following:

On 13 July 2020, the Board of Directors of DMB announced that Daya Maxflo Sdn Bhd ("DMAX"), an approximately 86.44%-owned subsidiary of Daya Petroleum Ventures Sdn Bhd ("DPV"), which in turn is a 51.0%-owned subsidiary of DMB, has entered into a conditional subscription agreement with WK Propel Sdn Bhd for the subscription of 342,955 new ordinary shares in DMAX for a cash consideration of approximately RM4.0 million ("Proposed Subscription").

Upon the completion of the Proposed Subscription, the issued share capital of DMAX will increase to RM6,009,987 comprising 1,762,955 DMAX shares, resulting in a dilution of DPV's equity interest in DMAX from approximately 86.44% to 69.63%.

Please also refer to the Company's announcement made on 13 July 2020 for the details of the Proposed Subscription.

**A13 Changes in the Composition of the Group**

There were no changes in the composition of the Group for the period under review.

**A14 Contingent Assets and Contingent Liabilities**

- (i) The Company completed the disposal of Daya Global 1 Pte Ltd ("DG1PL") to Siem OCV Pte Ltd ("SOCV") on 19 September 2017 for a consideration of USD100,000,000. As part of the financing facility obtained by SOCV ("New Facility") to finance the acquisition of DG1PL from the Company, the Company entered into a Put Option Agreement ("Put Option") with DG1PL on 7 April 2017. Pursuant to this, the Company is required to write a Put Option to DG1PL where the Company granted DG1PL the right, during the 7 years period from 14 September 2017, to require the Company to purchase SD1 Vessel from DG1PL for a sum equivalent to the amount that is sufficient to fully repay the amount outstanding of the New Facility at the date the Put Option is exercised, which upon the exercise of the Put Option, may subject to the approval of the Securities Commission or any other regulatory approval (if required).
- (ii) As at 30 September 2020, the Company has provided corporate guarantee of RM285,083,461 (30 June 2020: RM286,655,546) for banking facilities and third party for supply of goods and services granted to certain subsidiaries. The utilization of the banking facilities by the subsidiaries are RM129,424,221 (30 June 2020: RM132,285,547).

Save as disclosed above and in Note B9 Material Litigation, there were no other material contingent assets and contingent liabilities as at the date of this report.

**A15 Capital Commitments**

	<b>As at 30.9.2020 RM'000</b>
Capital Expenditure:	
Approved but not contracted for:	1,435

**A16 Significant Related Party Transaction**

During the financial period, significant related party transactions undertaken between the Company with related parties, which are negotiated based on agreed terms and conditions, are as follows:

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30.9.2020</b>	<b>30.9.2019</b>	<b>30.9.2020</b>	<b>30.9.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Transactions with related companies:</u>				
Rental expense	29	-	29	-

## **A17 Financial Instruments**

Financial Instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of current financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current portion of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of non-current borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or hire purchase arrangements at the reporting date.

Financial Instruments that are measured at fair value on a recurring basis

All assets for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) prices in an active market for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## **B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") FOR THE MAIN MARKET**

### **B1 Review of Performance**

Due to the change in the financial year end as stated in Note A9, no comparative figures are presented.

#### For the current quarter

The Group recorded a revenue of RM14.8 million. Revenue contribution from oil and gas segment and technical services segment stood at RM8.3 million and RM6.5 million respectively.

The Group recorded a loss before interest and tax ("LBIT") of RM1.4 million, as Recovery Movement Control Order ("RMCO") imposed to curb the spread of COVID-19 continues to impact its business activities and operations.

Review of the Group's performance by each segment is as follows:

#### **(i) Oil & Gas ("O&G") Segment**

##### Quarter

O&G segment reported a revenue of RM8.3 million and LBIT of RM0.7 million. The prolonged Covid-19 pandemic further impacted the financial performance of this Segment as a result of travel restrictions affecting the fulfillment of job orders, as well as slower off-takes of production chemicals from oil majors due to reduced requirements and deferment of projects.

#### **(ii) Technical Services ("TS") Segment**

##### Quarter

TS segment reported a revenue of RM6.5 million and profit before interest and tax ("PBIT") of RM0.5 million. The performance of the current quarter was mainly attributed to slower business activities during the RMCO enforcement period which correspondingly contributed to lower profit being recorded.

#### **(ii) Other Segment**

The Other Segment reported a LBIT of RM1.2 million for the current quarter. This comprised mainly of corporate administrative expenses.

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**B2 Comparison of Loss Before Taxation with the Immediate Preceding Financial Quarter**

	Quarter ended 30.9.2020 RM'000	Quarter ended 30.6.2020 RM'000
Revenue	14,751	18,231
Loss before tax	(3,967)	(5,075)

The Group reported a revenue of RM14.8 million as compared to RM18.2 million in the preceding quarter, representing a decrease of RM3.5 million or 19.1%, this was mainly attributed to travel restriction affecting the fulfillment of our job orders, coupled with slower-off takes from oil majors due to reduced requirements.

The Group reported a loss before tax ("LBT") of RM4.0 million for the current financial quarter as compared to LBT of RM5.1 million in the immediate preceding financial quarter, mainly attributed to higher financing charges recorded in the preceding quarter.

**B3 Prospects**

The outbreak of COVID-19 pandemic in early 2020 has a prolonged effect on the global economy and caused most international borders to remain closed. Thus, the adverse impact and recovery from the COVID-19 pandemic may take a longer time and cannot be ascertained at this juncture.

The Board anticipates the challenging environment to remain into the foreseeable future. Nonetheless, the Board will continue to assess and monitor the situation by implementing appropriate cost measures, capital expenditures requirements and streamlined its operations to mitigate the adverse impacts of the Covid-19 pandemic.

**B4 Variances from Profit Forecast and Profit Guarantee**

The disclosure requirements for explanatory notes for variances from profit forecast or profit guarantee are not applicable.

**B5 Income Tax Expense**

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	30.9.2020 RM'000	30.9.2019 RM'000	30.9.2020 RM'000	30.9.2019 RM'000
In respect of the current period:				
Income tax				
- Current year	48	-	48	-
- Overprovision in prior years	-	-	-	-
Deferred taxation	-	-	-	-
	<u>48</u>	<u>-</u>	<u>48</u>	<u>-</u>

Income tax expense is recognised in each quarter based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

**B6 Sale of Unquoted Investments and Properties**

There were no disposal of unquoted investments and properties during the period under review.

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**B7 Status of Corporate Proposals**

The status of corporate proposals announced by the Company and completed as at 20 November 2020, being the latest practicable date not earlier than 7 days from the date of issue of this quarterly report are summarised below:

**(i) Proposed further disposal of up to 31% equity interest in Daya CMT Sdn Bhd ("DCMT") pursuant to a call option**

The Company had on 28 April 2014 entered into a Share Sale Agreement ("SSA") with Perfect Propel Sdn Bhd ("PPSB") (Company No. 1087981-W) in respect of the disposal of 2,400,000 ordinary shares of RM1.00 each in Daya CMT Sdn Bhd ("DCMT") ("Sale Shares") representing 30% of the issued and paid up share capital of DCMT.

Pursuant thereto, the Company has, inter alia, granted the call option ("Call Option") to PPSB in respect of up to 50% of issued and paid up share capital of DCMT held by the Company other than the Sale Shares and PPSB is entitled to exercise the Call Option at any time and from time to time within 24 months from the Completion Date, being 17 July 2014 ("Call Option Period").

On 13 May 2015, PPSB has exercised the Call Option and acquired One Million Five Hundred and Twenty Thousand (1,520,000) issued and paid up ordinary shares of DCMT, representing 19% of the issued and paid up share capital in DCMT ("Initial Disposal"), for a total consideration of RM11,400,000.

Subsequent to the Initial Disposal, a remaining of Two Million Four Hundred and Eighty Thousand (2,480,000) issued and paid up ordinary shares of DCMT, representing 31% of the issued and paid up share capital in DCMT, are still available to PPSB.

The Company had, on 21 April 2016, agreed to PPSB's request in writing to extend the Call Option Period by a further 6 months to 17 January 2017, being 30 months from the Completion Date ("1st Revised Call Option Period").

The Company had, on 7 December 2016 agreed to PPSB's request in writing to further extend the 1st Revised Call Option Period by a further 12 months up to 17 January 2018 ("2nd Revised Call Option Period").

On 15 September 2017, PPSB and the Company had mutually agreed, vide the Company's letter dated 15 September 2017 to further extend the 2nd Revised Call Option Period to 31 August 2018. ("3rd Revised Call Option Period").

On 28 August 2018, PPSB and the Company had mutually agreed, vide the Company's letter dated 28 August 2018 to further extend the 3rd Revised Call Option Period to 31 August 2019 ("4th Revised Call Option Period").

On 29 August 2019, PPSB and the Company had mutually agreed, vide the Company's letter dated 28 August 2019 and accepted by PPSB on 29 August 2019 to further extend the 4th Revised Call Option Period to 31 August 2020 ("5th Revised Call Option Period").

On 30 July 2020, PPSB and the Company had mutually agreed, vide the Company's letter dated 27 July 2020 and accepted by PPSB on 30 July 2020 to further extend the 5th Revised Call Option Period to 31 August 2021.

All other terms and conditions of the SSA and the Call Option as supplemented and revised by mutual agreement remain unchanged.

**(ii) Practice Note 17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

On 28 February 2018, we triggered the prescribed criteria under Paragraph 2.1(a) of Practice Note 17 ("PN17") of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements"), due to our shareholders' equity on a consolidated basis falling below RM40 million and represented less than 25% of our issued share capital based on our unaudited consolidated financial statements for the financial year ended 31 December 2017.

Then on 4 March 2019, we triggered the prescribed criteria under Paragraph 2.1(f) of PN17 as a result of the default by our major subsidiary, namely Daya Proffscorp Sdn Bhd, in the payment of both the principal sum and interest to Malayan Banking Berhad and Small Medium Enterprise Development Bank Malaysia Berhad, and our inability to provide a solvency declaration to Bursa Securities.

Thereafter on 6 May 2019 we triggered the prescribed criteria under Paragraph 2.1(d) of PN17 of the Listing Requirements today as our auditors, Messrs Deloitte PLT, have expressed a disclaimer of opinion in our financial statements for the financial year ended 31 December 2018.

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**B7 Status of Corporate Proposals (cont'd)**

**(ii) Practice Note 17 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

The Company is still formulating a plan to regularise our financial condition ("Regularisation Plan"). We were required to submit the Regularisation Plan by 27 February 2019 and on 8 March 2019, Bursa Securities granted the Company an extension of time up to 27 August 2019 to submit the Regularisation Plan to the regulatory authorities.

On 19 August 2019, we submitted an application to Bursa Securities seeking its approval for second extension of time of 9 months until 27 May 2020 for the Company to submit its proposed regularisation plan to Bursa Securities whereby Bursa Securities had, via its letter dated 24 September 2019, decided to grant the Company a further extension of time up to 27 February 2020 to submit a regularisation plan to the regulatory authorities.

On 25 February 2020, we submitted an application to Bursa Securities seeking its approval for third extension of time of 6 months until 27 August 2020 for the Company to submit its proposed regularisation plan to Bursa Securities whereby Bursa Securities had, via its letter dated 16 April 2020, decided to grant the Company a further extension of time up to 27 September 2020 to submit a regularisation plan to the regulatory authorities.

On 15 September 2020, on our behalf Hong Leong Investment Bank Berhad had submitted an application for a further extension of time to submit the Regularisation Plan to Bursa Securities, where Bursa Securities had, via its letter dated 23 October 2020, decided to grant the Company a further extension of time up to 27 February 2021 to submit the Regularisation Plan to the regulatory authorities.

**B8 Group's borrowings and debt securities**

The Group's borrowings are as follows:

	Short Term RM'000	Long Term RM'000	Total Outstanding RM'000
<b><u>Secured borrowings</u></b>			
Trade financing facilities	12,577	-	12,577
Lease liabilities	260	138	398
Bank overdrafts	7,649	-	7,649
Term loans	97,104	459	97,563
Redeemable convertible unsecured bonds	83,078	-	83,078
<b>As at 30 September 2020</b>	<b>200,668</b>	<b>597</b>	<b>201,265</b>

The secured bank borrowings and other facilities are secured by way of :-

- (a) legal charges over the freehold land and buildings of the subsidiaries;
- (b) corporate guarantee by the Company;
- (c) a debenture over all assets of certain subsidiaries;
- (d) a pledge on the fixed deposits of the Company and subsidiaries;
- (e) a pledge of unquoted shares over the issued and paid-up share capital of certain subsidiaries; and
- (f) a pledge on an assignment on its contract proceeds via sinking fund built up.

The bank borrowings and other facilities are denoted in local currency, except for RM51,439,000 which is denoted in United States Dollars.



**B9 Material litigations**

**(a) Between Yuk Tung Construction Sdn. Bhd. and Daya CMT Sdn. Bhd.**

**(i) Main suit and appeal**

***Kuala Lumpur High Court Suit No. 22C-61-12/2015  
Court of Appeal Civil Appeal No. W-02(C)(W)-462-03/2018 & W-02(C)(W)-519-03/2018  
Federal Court Civil Appeal Application No. 08(F)-117-04/2020 & 08(F)-118-04/020***

The abovementioned suit by Yuk Tung Construction Sdn. Bhd. (“YT”) arose out of a construction contract executed between Daya CMT Sdn. Bhd. (“DCMT”), a subsidiary of the Company, and YT on 23 November 2012. DCMT was appointed as Principal Sub-Contractor to carry out the construction and completion of building works (“Contract”).

On 22 December 2015, YT terminated DCMT’s contract on the basis that DCMT failed to carry out its obligation under the contract and called on the performance bond of the contract. Subsequently on 23 December 2015, DCMT filed and claimed against YT on the basis that (i) the Contract was wrongfully terminated, (ii) the performance bond was wrongfully called upon; and (iii) DCMT is entitled to significant extension of time under the Contract.

DCMT has also initiated a claim under the Construction Industry Payment and Adjudication Act 2012 (“CIPAA”) for outstanding payment inclusive of value of works done, works certified, non-release of retention sum, among others.

On 30 January 2018, the Kuala Lumpur High Court (“High Court”) had delivered its judgement which partly allowed DCMT’s claims in the sum of RM31,535,000 and partly allowed YT’s counterclaim in the sum of RM17,252,000, resulting in net damages amounting to RM14,283,000 in favour of DCMT. The High Court also held that the termination of the contract was lawful. (“High Court Judgement”). Both the Company had filed an appeal to the Court of Appeal against the decision of High Court.

On 6 March 2020, the Court of Appeal upheld the High Court’s decision that the termination of contract is lawful and awarded net damages of RM23,649,000 in favour of YT. The net damages previously awarded by High Court Judgement in favour of DCMT shall be adjusted as follows:

	<b>RM</b>
<u>Amount awarded by the High Court</u>	
(a) DCMT	31,534,895
(b) YT	<u>(17,252,015)</u>
<b>Net amount awarded by the High Court</b>	<u>14,282,880</u>
 <u>Amount awarded by the Court of Appeal</u>	
(a) Additional liquidated ascertained damages to YT	(11,665,000)
(b) Decrease in DCMT progress claim	(7,448,322)
(c) Decrease in DCMT retention sum receivable	<u>(4,535,926)</u>
<b>Net amount revised by Court of Appeal</b>	<u>(23,649,248)</u>
 <b>Revised net amount awarded by Court of Appeal in favour of YT</b>	 <u>(9,366,368)</u>

Being dissatisfied with Court of Appeal’s decision and after considering legal advice from the solicitors, DCMT had filed an Application for Leave to Appeal to Federal Court (“Leave Application”) on 6 April 2020.

In addition, DCMT had also filed an application for Stay of Execution of the Court of Appeal Order to the Federal Court. On 8 September 2020, the Court of Appeal had granted such application pending disposal of DCMT’s Leave Application.

**B9 Material litigations (cont'd)**

**(a) Between Yuk Tung Construction Sdn. Bhd. and Daya CMT Sdn. Bhd. (cont'd)**

**(ii) In the Matter of Arbitration**

***Kuala Lumpur High Court Suit No.: WA-22C-25-04/2018***

On 19 April 2018, DCMT had received a Writ of Summon and Statement of Claim dated on 2 April 2018 from YT solicitor, claiming for rectification costs of RM9,070,000 arising from the purported defects in DCMT's scope of work. ("High Court Suit")

DCMT then filed an application for stay of proceedings pending reference to arbitration on 22 June 2018. Both parties then agreed for the High Court Suit to be stayed and to be referred to arbitration ("Arbitration"), by entering into a Consent Order of the High Court dated 7 September 2018.

On 28 January 2019, YT has filed a claim in arbitration proceedings claiming for a revised rectification cost amounted to RM7,258,000. Subsequently, DCMT has filed its Statement of Defence on 4 March 2019 and pending for the hearing of Arbitration.

On 21 October 2020, DCMT and YT has entered into a settlement agreement in relation to the above-mentioned main suits, appeals and arbitrations, whereby DCMT shall pay the following amounts to YT:

- principal sum of RM9,366,000;
- interest accrued at a rate of 5% per annum on the sum of RM28,917,000, calculated from 28 June 2016 until the date of full settlement, less interest accrued at the rate of 5% per annum on the sum of RM19,550,647 calculated from 9 June 2016 until the date of full payment; and
- costs of RM50,000 together with interest accrued thereon at a rate of 5% per annum from 6 March 2020 until the date of full settlement.

The restricted cash sum of RM7,662,000 shall be released to YT.

In light of the same, the Leave Application by DCMT and the arbitration proceeding by YT have been withdrawn on 21 October 2020.

**(b) Between Daya CMT Sdn. Bhd. and Otis Elevator Company (M) Sdn. Bhd.**

***Shah Alam Session Court Suit No. BA-B52NCVC-32-02/2020***

On 19 February 2020, the Company announced that its subsidiary, Daya CMT Sdn. Bhd. ("DCMT") had received a Writ of Summons and Statement of Claim dated 7 February 2020 from Otis Elevator Company (M) Sdn. Bhd. ("Otis") solicitors, claiming for principal sum of RM335,000 with interest rate of 5% on the demand sum from 7 February 2020 to the date of settlement.

The above claim is in relation to a construction project for B Braun Medical Industries Sdn Bhd, whereby Otis is appointed by DCMT to supply and install 14 units of lift for the project.

DCMT had been granted an order by the High Court of Shah Alam to restrain all proceedings, actions and/or further proceedings in any suits, proceedings and actions against DCMT for a period of 3 months from 30 September 2020 ("Order"). As such the proceedings have been temporarily suspended pending the outcome of the Order.

**B9 Material litigations (cont'd)**

**(c) Between Daya CMT Sdn. Bhd. and Chop Eng Heng Metal Industry**

***Georgetown High Court Suit No. PA-22NCVC-100-06/2020***

On 30 June 2020, the Company announced that its subsidiary, Daya CMT Sdn. Bhd. ("DCMT") had received a Writ of Summons and Statement of Claim dated 24 June 2020 from Chop Eng Heng Metal Industry ("Chop") solicitors, claiming for principal sum of RM763,000 and retention sum of RM831,000 with interest rate of 5% on the demand sum from date of judgement to the date of settlement.

The above claim is in relation to 4 construction projects whereby DCMT appointed Chop for steel structure work and light weight roof structure for the project.

DCMT had been granted an Order as stated in (b) above. As such the proceedings have been temporarily suspended pending the outcome of the Order.

**(d) Between Daya CMT Sdn. Bhd. and Ample Maintain Sdn. Bhd.**

***Georgetown Session Court Civil Action No. PA-A52NCC-44-06/2020***

On 9 July 2020, the Company announced that its subsidiary, Daya CMT Sdn. Bhd. ("DCMT") had received a Writ of Summons and Statement of Claim dated 29 June 2020 from Ample Maintain Sdn. Bhd. ("Ample") solicitors, claiming for retention sum of RM113,000 with interest rate of 5% on the demand sum from date of judgement to the date of settlement.

The above claim is in relation to a construction project for B Braun Medical Industries Sdn Bhd, whereby Ample is appointed by DCMT to supply and install roofing with fall protection system for the project.

DCMT had been granted an Order as stated in (b) above. As such the proceedings have been temporarily suspended pending the outcome of the Order.

**(e) Between Daya Material Berhad, Daya Maritime Limited and Export-Import Bank of Malaysia Berhad**

***Kuala Lumpur High Court Writ of Summons No: WA-22M-532-11/2018***

On 16 November 2018, Daya Maritime Limited ("DML"), a subsidiary of the Company and the Company, as corporate guarantor, had received a Writ of Summons together with the Statement of Claim dated 8 November 2018 from Export-Import Bank of Malaysia Berhad ("EXIM Bank") relating to principal outstanding of Islamic financing facility amounting to USD14,490,768 (equivalent to RM60,223,632).

On 9 July 2020, a Proposed Debt Restructuring Scheme ("PRS") of the Company had been signed by EXIM Bank in which EXIM Bank had agreed to partial settlement of the total outstanding vide:

(i) subscription of 48,927,002 ordinary shares in a new entity as part of the regularisation plan ("Newco") which currently is valued at RM24,463,501 by EXIM Bank; and

(ii) proceed of sale of the 38 acres land situated at Kampong Gadong Manis, Off Jalan Kimanis-Keningau, District of Papar, Sabah ("Kimanis Land") which is currently valued at RM11,401,000.

Notwithstanding of the above, EXIM Bank shall reserve all its right to recover any balance of the outstanding amount from DML and the Company including but not limited to enforcement of the Judgement dated 18 April 2019.

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**B9 Material litigations (cont'd)**

**(f) Between Daya Materials Berhad and Public Bank Berhad**

***Kota Bharu Magistrate Court Originating Summons No: DA-A74-133-10/2020***

On 11 November 2020 received an Originating Summons together with an Affidavit dated 25 October 2020 (“OS”) from Public Bank Berhad (“PBB”).

Pursuant to the OS, the court has ordered the Company to attend the court hearing at the Magistrate Court at Kota Bharu, Kelantan on 25 November 2020 to hear the following application made by PBB:

(a) PBB to be permitted to repossess a vehicle under the hire purchase facility granted by PBB to the Company (“**Vehicle** ”) together with the service of a notice under the Fourth Schedule of Section 16(1A) of the Hire Purchase Act (Amended) 2012 to repossess the Vehicle (“**Notice**”);

(b) PBB and/or its appointed agent is permitted to repossess the Vehicle after the expiration of the notice period set out in the Notice;

(c) PBB and/or its appointed agent is permitted to reasonably enter into either D5-1-1, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur and/or 1744, Jalan Industri Dua, Taman Industri Bukit Panchor, 14300 Nibong Tebal, Pulau Pinang and/or any other premises where the Vehicle is to be found or kept in order for PBB to repossess the Vehicle including, if need be, with the assistance of the Royal Malaysia Police and/or the court’s bailiff;

(d) the Company to bear the following cost and expenses:

(i) cost to repossess the Vehicle;

(ii) cost for storage of the Vehicle; and

(iii) cost for the OS; and

(e) such further or other relief as the court deems fit to order.

The Company is currently in the midst of discussion with PBB to regularise for a settlement of the outstanding sum payable to PBB.

**B10 Proposed Dividends**

No dividend has been proposed or declared for the current financial year-to-date (2020: RM Nil).

**B11 Loss per share**

	<b>Current Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30.9.2020</b>	<b>30.9.2019</b>	<b>30.9.2020</b>	<b>30.9.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>a) Basic loss per share</b>				
Net loss for the period attributable to ordinary equity holders of the company (RM'000)	(4,133)	-	(4,133)	-
Weighted average number of shares in issue ('000)	2,042,946	-	2,042,946	-
Basic loss per share (sen)	<u>(0.20)</u>	<u>-</u>	<u>(0.20)</u>	<u>-</u>

**DAYA MATERIALS BERHAD**  
(Registration No.: 200301033936 (636357-W))  
(Incorporated in Malaysia)

**B11 Loss per share (cont'd)**

	Current Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
<b>b) Diluted loss per share</b>				
Net loss for the period attributable to ordinary equity holders of the company (RM'000)	(4,133)	-	(4,133)	-
Weighted average number of shares in issue ('000)	2,042,946	-	2,042,946	-
Conversion of Redeemable Convertible Unsecured Bonds ('000)	830,783	-	830,783	-
	<u>2,873,729</u>	<u>-</u>	<u>2,873,729</u>	<u>-</u>
Diluted loss per share (sen)	<u>(0.20)</u>	<u>-</u>	<u>(0.20)</u>	<u>-</u>

\* The diluted loss per share is equal to the basic loss per share due to the anti-dilutive effect.

**B12 Additional disclosure as per Appendix 9B , Part A, Note 16 of Bursa Listing Requirement of Bursa Malaysia Securities Berhad**

	Current Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.9.2020	30.9.2019	30.9.2020	30.9.2019
	RM'000	RM'000	RM'000	RM'000
The following amounts have been included in arriving at loss before tax:				
Amortisation on intangible assets	19	-	19	-
Depreciation on property, plant and equipment	424	-	424	-
Depreciation on right-of-use assets	87	-	87	-
Interest expenses	2,561	-	2,561	-
Unrealised foreign exchange loss	14	-	14	-
Property, plant and equipment written off	2	-	2	-
and after crediting:				
Interest income	529	-	529	-
Net gain on disposal of property, plant and equipment	201	-	201	-
Net gain on disposal of right-of-use assets	50	-	50	-
Rental income	<u>49</u>	<u>-</u>	<u>49</u>	<u>-</u>

By Order of the Board

Datuk Lim Thean Shiang  
Non-Executive Chairman  
23 November 2020