

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER
ENDED 31 MARCH 2021**
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS		
	3-MONTH PERIOD ENDED		12-MONTH PERIOD ENDED		
	Note	31 MARCH 2021	31 MARCH 2020	31 MARCH 2021	31 MARCH 2020
	RM	RM	Unaudited RM	Unaudited RM	
Revenue		30,833,614	24,552,011	30,833,614	24,552,011
Cost of sales		(10,750,064)	(16,953,692)	(10,750,064)	(16,953,692)
Gross Profit		20,083,550	7,598,318	20,083,550	7,598,318
Other income		540,645	792,319	540,645	792,319
Administrative expenses		(16,770,702)	(14,984,709)	(16,770,702)	(14,984,709)
Profit / (Loss) from operations		3,853,492	(6,594,072)	3,853,492	(6,594,072)
Share of results of associate		-	-	-	-
Profit / (Loss) before interest and taxation		3,853,492	(6,594,072)	3,853,492	(6,594,072)
Interest Expenses		(3,911,045)	(5,907,451)	(3,911,045)	(5,907,451)
Interest Income		2,021	1,801	2,021	1,801
Profit / (Loss) before taxation		(55,532)	(12,499,723)	(55,532)	(12,499,723)
Taxation		(26,740)	607,988	(26,740)	607,988
Profit / (Loss) for the period		(82,272)	(11,891,734)	(82,272)	(11,891,734)
Profit / (Loss) attributable to:					
Owners of the Company		(967,070)	(7,641,668)	(967,070)	(7,641,668)
Non-controlling interests		884,798	(4,250,066)	884,798	(4,250,066)
		(82,272)	(11,891,734)	(82,272)	(11,891,734)

Earnings per share attributable to
Owner of the Company

- Basic (sen)	B9	(0.22)	(1.88)	(0.22)	(1.88)
- Diluted (sen)	B9	(0.22)	(1.88)	(0.22)	(1.88)

Note:

The unaudited condensed consolidated Statement of Comprehensive Income should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2020.

QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER
ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(THE FIGURES HAVE NOT BEEN AUDITED)

Note	INDIVIDUAL QUARTER 3-MONTH PERIOD ENDED		CUMULATIVE QUARTERS 12-MONTH PERIOD ENDED	
	31 MARCH 2021	31 MARCH 2020	31 MARCH 2021 Unaudited	31 MARCH 2020 Audited
	RM	RM	RM	RM
(Loss)/Profit for the period	(82,272)	(11,891,734)	(82,272)	(11,891,734)
OTHER COMPREHENSIVE INCOME				
Exchange difference arising on translation of foreign operations	(9,439)	(118,668)	(9,439)	(118,668)
Other comprehensive (loss)/income, net of tax	(9,440)	(118,668)	(9,440)	(118,668)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	(91,712)	(12,010,403)	(91,712)	(12,010,403)
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(976,510)	(7,760,336)	(976,510)	(7,760,336)
Non-controlling interests	884,798	(4,250,066)	884,798	(4,250,066)
	(91,712)	(12,010,403)	(91,712)	(12,010,403)

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**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER
 ENDED 31 MARCH 2021**
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Unaudited</i> 31 MARCH 2021	<i>Audited</i> 31 DECEMBER 2020
	RM	RM
ASSETS		
NON-CURRENT ASSETS		
Property, plant & equipment	86,150,351	82,965,633
Right-of-use assets	147,856,034	155,460,531
Investment in associate	3,372,153	3,372,153
Goodwill on consolidation	34,493,752	34,493,752
Intangible assets	96,489,808	98,615,656
Deferred tax assets	7,821,799	7,513,583
	<u>376,183,896</u>	<u>382,421,308</u>
CURRENT ASSETS		
Inventories	1,664,072	1,612,971
Trade and other receivables	64,405,032	54,811,498
Contract costs	4,318,524	1,914,228
Current tax assets	496,834	496,596
Deposits placed with licensed banks	1,466,030	14,461,586
Cash and bank balances	<u>27,057,122</u>	<u>12,898,215</u>
	99,407,614	86,195,094
Non-current assets held for sale	27,834,158	31,194,158
	<u>127,241,772</u>	<u>117,389,252</u>
TOTAL ASSETS	503,425,668	499,810,560
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	88,794,521	86,730,228
Share premium	-	-
Treasury shares	(294,252)	(294,252)
Share based payment reserve	-	-
Revaluation reserve	5,396,382	5,396,382
Foreign currency translation reserve	(78,829)	(69,390)
Statutory reserve	-	-
Retained earnings	<u>19,349,268</u>	<u>20,316,338</u>
	113,167,088	112,079,306
Non-controlling interests	<u>84,724,212</u>	<u>78,989,414</u>
TOTAL EQUITY	197,891,301	191,068,720
NON-CURRENT LIABILITIES		
Loans and borrowings	26,195,343	17,859,568
Lease liabilities	146,096,455	141,023,549
Deferred tax liabilities	<u>31,791,607</u>	<u>31,603,712</u>
	204,083,405	190,486,829
CURRENT LIABILITIES		
Trade and other payables	45,530,316	58,561,900
Amount due to directors	-	-
Loans and borrowings	2,466,981	10,577,201
Overdraft	-	-
Lease liabilities	12,837,619	19,205,869
Contract liabilities	40,642,607	29,691,340
Tax payables	<u>(26,560)</u>	<u>218,701</u>
	101,450,962	118,255,011
TOTAL LIABILITIES	305,534,367	308,741,840
TOTAL EQUITY AND LIABILITIES	503,425,668	499,810,560
Number of ordinary shares (unit)	447,523,075	427,284,925
Net assets per share attributable to owners of the Company (sen)	25.3	26.2

Note:

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2020.

SMRT HOLDINGS BERHAD (659523-T)
**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER
 ENDED 31 MARCH 2021**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 (THE FIGURES HAVE NOT BEEN AUDITED)**

	Share Capital	Treasury Shares	Share Based Payment Reserve	Foreign Currency Translation Reserve	Revaluation Reserve	Statutory Reserve	Retained Profits	Sub-total	Non Controlling Interests	Total Equity
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Current period ended 31 MARCH 2021										
As at 01 JANUARY 2021	86,730,228	(294,252)	-	(69,390)	5,396,382	-	20,316,338	112,079,306	78,989,414	191,068,720
Total comprehensive income for the period										
(Loss)/Profit for the period	-	-	-	-	-	-	(967,070)	(967,070)	884,798	(82,272)
Other Comprehensive income for the period	-	-	-	(9,439)	(0)	-	-	(9,440)	-	(9,440)
Total comprehensive income	-	-	-	(9,439)	(0)	-	(967,070)	(976,510)	884,798	(91,712)
Transaction with owners										
Issuance of shares pursuant to :- - Private Placement	2,064,293	-	-	-	-	-	-	2,064,293	4,850,000	6,914,293
Total transactions with owners	2,064,293	(0)	-	-	-	-	-	2,064,293	4,850,000	6,914,293
Balance as at 31 MARCH 2021	88,794,521	(294,252)	-	(78,829)	5,396,382	-	19,349,268	113,167,089	84,724,212	197,891,301
Corresponding period ended 31 MARCH 2020										
As at 01 JANUARY 2020	84,504,033	(253,964)	-	(23,179)	-	-	29,722,366	113,949,255	80,061,384	194,010,639
Total comprehensive income for the period										
Loss for the financial year	-	-	-	-	-	-	(7,641,668)	(7,641,668)	(4,250,066)	(11,891,734)
Other comprehensive income for the period	-	-	-	(118,668)	-	-	-	(118,668)	-	(118,668)
Total comprehensive income	-	-	-	(118,668)	-	-	(7,641,668)	(7,760,336)	(4,250,066)	(12,010,403)
Transaction with owners										
Repurchase of shares	-	(40,288)	-	-	-	-	-	(40,288)	-	(40,288)
Disposal of investment in subsidiaries	-	-	-	-	-	-	-	-	86,751	86,751
Total transactions with owners	-	(40,288)	-	-	-	-	-	(40,288)	86,751	46,463
Balance as at 31 MARCH 2020	84,504,033	(294,252)	-	(141,848)	-	-	22,080,698	106,148,631	75,898,068	182,046,699

Note:

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2020.

**QUARTERLY REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER
ENDED 31 MARCH 2021**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(THE FIGURES HAVE NOT BEEN AUDITED)**

	CURRENT PERIOD ENDED 31 MARCH 2021 RM'000	CORRESPONDING PERIOD ENDED 31 MARCH 2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(56)	(12,500)
Adjustments for:		
Amortisation of intangible assets	158	57
Depreciation of Property and equipment	2,109	2,266
Depreciation of Right-of-use assets	3,391	3,522
Interest income	(2)	(2)
Interest expense	3,912	5,908
Loss/(gain) on disposal of property, plant and equipment	3	(30)
Loss/(gain) on disposal of investment in subsidiary	-	87
Bad debts Written off	-	45
Operating profit /(loss) before working capital changes	9,515	(647)
Changes in working capital		
Inventories	(51)	(2,557)
Receivables	(1,609)	(6,226)
Contract cost	(437)	(150)
Payables	(18,043)	(6,930)
Lease liabilities	(506)	(5,170)
Contract liabilities	10,952	13,659
Cash (used in)/generated from operations	(178)	(8,021)
Tax paid	(54)	(465)
Tax refunded	31	-
Interest expense	(3,161)	-
Interest received	2	2
Net cash generated from/(used in) operating activities	(3,361)	(8,484)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(1,333)	-
- property, plant & equipment	36	-
Net cash generated from/(used in) investing activities	(1,297)	-

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issuance of placement share	6,914	-
Fixed deposit pledged to licences bank	-	(1)
Bank Account pledged for Sukuk Wakalah	-	(91)
Drawdown of loan	-	4,200
Purchase of treasury shares	-	(40)
Repayment of:		
- hire purchase payables	-	(2)
- lease liabilities	(1,544)	(779)
- borrowings	-	(1)
Net cash generated from/(used in) financing activities	5,370	3,286

Net increase/(decrease) in cash and cash equivalents 713 (5,198)

Effect of foreign exchange rate change (9) (101)

Opening balance of cash and cash equivalents 12,996 13,198

Closing balance of cash and cash equivalents **13,700** **7,899**

Cash and cash equivalents

Fixed deposits with licensed bank	2,366	1,853
Cash and bank balances	26,158	9,090
Overdraft	-	-
	28,524	10,943
Less: Deposits held as security	(2,366)	(1,853)
Less: Bank accounts pledged for Sukuk Wakalah	(3,725)	(1,191)
Less: Bank accounts pledged for term loan	(8,732)	-
Closing balance of cash and cash equivalents	13,701	7,899

Note:

The unaudited condensed consolidated Statement of Cash Flow should be read in conjunction with the notes to the interim financial report and the audited financial statements of the Group for the financial year ended 31 December 2020.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

- a) These interim financial statements of SMRT Holdings Berhad ("SMRT" or the "Company") and its subsidiaries (the "Group") are unaudited and have been prepared in accordance with MFRS 134 - Interim Financial Reporting issued by the Malaysian Financial Standards Board ("MASB") and Appendix 9B of the Bursa Malaysia Securities Berhad's ("Bursa Securities") ACE Market Listing Requirements ("AMLR").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2020. These 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 FYE 31 December 2020.

b) **Significant Accounting Policies**

The significant accounting policies and presentations adopted by the Group in this quarterly report are consistent with those of the annual financial statements for the FYE 31 December 2020 except that the Group has adopted the Malaysian Financial Reporting Standards (MFRS) framework issued by Malaysian Accounting Standards Boards (MASB) which are effective for annual periods beginning on or after 1 January 2021 as disclosed below: -

- Amendments to MFRS 3	Business Combinations
- Amendments to MFRS 7	Financial Instruments Disclosure
- Amendments to MFRS 9	Financial Instruments
- Amendments to MFRS 16	Leases*
- Amendments to MFRS 101	Presentation of Financial Statements
- Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 139	Financial Instruments Recognition and Measurement

*Early adopted the amendments to MFRS 16 Leases issued by the Malaysian Accounting Standards Board ("MASB") on 5 June 2020 or/and 6 April 2021.

The adoption of the abovementioned accounting standards and amendments have no material impact on the financial statements of the Group upon their initial application except for the following:

c) **Standards issued but not yet effective**

At the date of authorisation of the interim financial report, the Standards issued by Malaysian Accounting Standards Board ("MASB") but not yet effective are disclosed below. The Group intends to adopt these applicable standards, when they become effective.

- New MFRS 17- Insurance Contracts
- Amendments to MFRS 101 Presentation of Financial Statements
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to MFRS 116 Property, Plant and Equipment

A2 Audit Report of the preceding Annual Financial Statements

The audit report for the annual financial statements of the Group for the FYE 31 December 2020 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's operations were not materially affected by seasonal or cyclical changes.

A4 Changes in Estimates

There were no estimates provided for the last financial quarter under review.

A5 Debt and Equity Securities

There was no issuance, cancellation or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

- a) On 22 January 2021, the Company had placed out 20,238,150 new ordinary shares, representing approximately 5% of the issued shares of the Company at an issue price of RM0.102 each.

The detailed movements of the issued and paid up capital and share premium reserved for the Company for the current quarter under review are as follows:-

	No. of shares Issued and fully paid up ordinary shares of RM0.10	Share Capital
	'000	RM '000
As at 1 January 2021	427,285	86,730
Issuance of shares via Private Placement	20,238	2,064
As at 31 MARCH 2021	447,523	88,794

A6 Valuation of Property, Plant and Equipment

The value of property, plant and equipment has been brought forward, without amendments from the previous year's annual audited financial statements.

A7 Dividend Paid

No dividend was paid during the current quarter under review.

A8 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items or events, which affected the assets, liabilities, equity, net income or cash flows of the Group since the last annual audited financial statements.

A9 Segmental Information
(a) Analysis of segmental revenue and results

		Education RM'000	Technology RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
3 Months Ended	31 MARCH 2021					
Revenue						
External customers		24,726	6,107	-	-	30,834
Inter-company sales		-	-	-	-	-
Dividend income		-	-	-	-	-
		<u>24,726</u>	<u>6,107</u>	<u>-</u>	<u>-</u>	<u>30,834</u>
Results:						
<i>Included in the measure of segment (loss) / profit</i>						
Interest income		2	0	-	-	2
Interest expenses						
* Borrowings		(404)	-	-	-	(404)
- Right-of-use assets		(850)	(8)	(2,650)	-	(3,507)
Depreciation & Amortisation		-	-	-	-	-
- Properties and equipment		(1,945)	(109)	(4)	-	(2,058)
- Right-of-use assets		(1,397)	(50)	(1,944)	-	(3,391)
Amortisation		(158)	-	-	-	(158)
Other non cash income		48	1	-	-	48
Profit/(Loss) before tax		<u>779</u>	<u>1,689</u>	<u>(2,523)</u>	<u>-</u>	<u>(56)</u>
Income tax expense		298	(294)	(31)	-	(27)
Segment profit/(loss)		<u>1,077</u>	<u>1,395</u>	<u>(2,555)</u>	<u>-</u>	<u>(82)</u>
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")		8,732	1,856	(1,126)		9,462

(b) Analysis of segmental in financial position

	Education RM'000	Technology RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Assets					
Segments assets	181,529	41,502	338,513	(66,437)	495,107
Deferred tax assets	7,661	160	-	-	7,822
Tax recoverable	495	2	-	-	497
Total assets	189,686	41,664	338,513	(66,437)	503,426
Liabilities					
Segmental liabilities	113,238	11,078	215,798	(66,344)	273,769
Deferred tax liabilities	29,872	1,912	8	-	31,792
Tax payables	(89)	-	62	-	(27)
Total liabilities	143,021	12,989	215,868	(66,344)	305,534

(c) Analysis by geographical areas

Revenue	3-months ended 31 MARCH 2021			
	Malaysia RM'000	Overseas RM'000	Elimi- nations RM'000	Total Operations RM'000
External sales	30,514	320	-	30,834
Inter-segment	-	-	-	-
Total	30,514	320	-	30,834

A10 Material Events Subsequent to the End of the Current Quarter

There were no material events subsequent to the end of the current quarter under review.

A11 Changes in the Composition of the Group

There were no material changes in the composition of the Group for the financial period ended 31 March 2021 up to the date of this report.

A12 Contingent Liabilities or Contingent Assets

As at 31 MARCH 2021
RM'000

Corporate Guarantees issued to financial institutions in respect of banking facilities granted to subsidiary companies

495

Save for the above, there were no changes in the contingent liabilities and contingent assets of the Group, since the last audited accounts as at 31 December 2020.

A13 Capital Commitments

There were no capital commitments for the current quarter under review.

B1 Review of Performance**Financial review for current quarter and financial year-to-date**

	Individual Period			Cumulative Period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Variance	Current Year Period	Preceding Year Corresponding Period	Variance
	31 MARCH 2021 RM'000	31 MARCH 2020 RM'000		31 MARCH 2021 RM'000	31 MARCH 2020 RM'000	
Revenue	30,834	24,552	26%	30,834	24,552	26%
Operating Profit	3,853	(6,594)	-158%	3,853	(6,594)	-158%
Profit /(Loss) Before Interest and Tax	3,853	(6,594)	-158%	3,853	(6,594)	-158%
Profit / (Loss) Before Tax	(56)	(12,500)	-100%	(56)	(12,500)	-100%
Profit /(Loss) After Tax	(82)	(11,892)	-99%	(82)	(11,892)	-99%
Loss Attributable to Ordinary Equity Holders of the Parent	(967)	(7,642)	-87%	(967)	(7,642)	-87%

Current quarter compared to preceding year's corresponding quarter results

SMRT Group recorded an unaudited revenue of RM30.8 million, mainly contributed from MGB (RM24.7 million) and N'osairis (RM6.0 million), an improvement of 25.6% as compared to the revenue recorded of RM24.5 million for the preceding year quarter ended 31 Mar 2020, mainly contributed from the education sector resulted from higher recruitment of new students for various programs, especially University of Cyberjaya.

Correspondently, the Group recorded a marginal LBT and LAT of only RM0.05 million and RM0.08 million for quarter ended 31 March 2021, a great improvement as compared to LBT and LAT of RM12.5 million and RM11.9 million respectively, in the preceding year quarter ended 31 March 2020.

B2 Material Change in Profit Before Tax for the Current Quarter as Compared with the Immediate Preceding Quarter**Financial review for current quarter compared with immediate preceding quarter**

	Current Year Quarter	Immediate Preceding Quarter	Variance
	31 MARCH 2021	31 DECEMBER 2020	
	RM'000	RM'000	
Revenue	30,834	42,427	73%
Operating Profit	3,853	10,869	35%
Profit /(Loss) Before Interest and Tax	3,853	10,869	35%
Profit /(Loss) Before Tax	(56)	5,177	-1%
Profit /(Loss) After Tax	(82)	4,703	-2%
Loss Attributable to Ordinary Equity Holders of the Parent	(967)	2,787	-35%

The Group recorded a decrease in revenue of RM30.8 million for the current quarter as compared to RM 42.4 million in the immediate preceding quarter, mainly resulted from higher revenue contribution from Technology segment during the final quarter of year 2020. Correspondently, the Profit Before Tax has also reduced from RM5.2 million for immediate preceding quarter as compared nominal loss of RM0.06 million for the current quarter under review. In addition, the better profitability for the immediate preceding quarter was also due to one-time gain from education segment, such as lease modification amounting to RM5.8 million arising from the termination of a long-term lease rental and a reversal of impairment of trade receivables of approximately RM3.7 million.

B3 Prospects for the Current Financial Year

In relation to our industry, this COVID-19 pandemic do has severe impact on certain operation pattern of our businesses.

Our education group, namely Minda Global Berhad, owns and operates 2 universities, 3 colleges and 1 international school. The lockdown announcements by various countries worldwide has defers the movement of local and foreign students worldwide. Up to the date of this report, our education arms has respectively deferred their new intakes for year 2020, pending instructions and announcement by the relevant educational authorities, such as Ministry of higher learning, from time to time. Despite our educational teams are converting their teaching pattern into on-line learning whichever best options available, the Group however, foresees that its performance may be materially affected by the Covid-19 pandemic which has caused by both economic slowdown in Malaysia and globally as well as lockdown of international borders.

Whereas for our IT divisions, the implementation of existing contracts in hand has been delayed due to the national lockdown. Nevertheless, for certain existing on-line related services are operating without major impact. Our group foresee a temporary softening in the progress and performance of IT divisions however we expect our IT related operations shall be back on mark gradually, subject to further instruction from government on MCO policies and our customers' revised timing on delivery of existing contracts.

B4 Variance of Actual Profit from Profit Forecast and Profit Guarantee

The Group has not announced or provided any profit forecast or profit guarantee for the current quarter under review.

B5 Income Tax Expenses

	Current Quarter Ended		Cumulative Year To Date	
	31 MARCH 2021 RM'000	31 MARCH 2020 RM'000	31 MARCH 2021 RM'000	31 MARCH 2020 RM'000
Income tax				
Current	116	31	116	31
Under/(Over) provision of tax in prior year	31	-	31	-
Deferred tax	(121)	(639)	(121)	(639)
	27	(608)	27	(608)

The taxation included the estimation of deferred tax arising from the recognition of lease liabilities.

B6 Status of Corporate Proposals

There were no other corporate proposals announced but not yet completed as at the date of this quarterly announcement.

B7 Group Borrowings

	Cumulative Year To Date	
	31 MARCH 2021 RM'000	31 MARCH 2020 RM'000
<u>Secured short-term</u>		
Overdraft	-	-
Hire purchase payables	-	2
Lease assets payables	12,838	13,137
Term Loan	467	16,537
Shares Margin Loan	2,000	2,000
<u>Secured long-term</u>		
Hire purchase payables	540	863
Lease assets payables	146,096	214,125
Term Loan	25,655	4,200
Total borrowings	187,596	250,864

All borrowings are denominated in Ringgit Malaysia.

B8 Material Litigation

The Company and its subsidiary companies are 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 these companies as at the date of this quarterly report.

B9 Earnings Per Share ("EPS")

The basic EPS is calculated based on the Group's profit attributable to ordinary equity holders of the parent for the current quarter and cumulative year-to-date, and divided by the weighted average number of shares in issue for the current quarter and cumulative year-to-date as follows :-

(a) Basic EPS

	Current Quarter Ended		Cumulative Year To Date	
	31 MARCH 2021	31 MARCH 2020	31 MARCH 2021	31 MARCH 2020
	RM'000	RM'000	RM'000	RM'000
Earnings attributable to ordinary equity holders of the parent	(967)	(7,642)	(967)	(7,642)
Weighted average number of ordinary shares in issue				
As At 1 JANUARY 2021	427,285	407,047	427,285	407,047
Add: Effect of issuance of shares	15,966	-	15,966	-
Add: Effect of conversion of warrants	-	-	-	-
Less: Effect of treasury shares held	-	126	-	126
As at 31 MARCH 2021	443,251	407,173	443,251	407,173
Basic earnings per ordinary shares (sen)	(0.22)	(1.88)	(0.22)	(1.88)

(b) Fully diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the Group's profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Current Quarter Ended		Cumulative Year To Date	
	31 MARCH 2021	31 MARCH 2020	31 MARCH 2021	31 MARCH 2020
Earnings attributable to ordinary equity holders of the parent	(967)	(7,642)	(967)	(7,642)
Weighted average no. of ordinary shares in issue	443,251	407,173	443,251	407,173
Adjusted weighted average number of ordinary shares in issue and issuable	443,251	407,173	443,251	407,173
Diluted earnings per shares (sen)	(0.22)	(1.88)	(0.22)	(1.88)

* The average market price is lower than the exercise price. Thus, there is no effect of dilution for ESOS for the current quarter.

B10 Proposed Dividend

There was no proposed dividend declared for the current quarter under review.

B11 Operating Profit

	Current Quarter ended		Cumulative Year-to-date	
	31 MARCH 2021	31 MARCH 2020	31 MARCH 2021	31 MARCH 2020
	RM'000	RM'000	RM'000	RM'000
Operating profit has been arrived at after charging:-				
Amortisation of intangible assets	158	56	158	56
Depreciation of property, plant and equipment	2,058	2,268	2,058	2,268
Depreciation of Right-of-use assets	3,391	576	3,391	576
Expected credit losses	-	-	-	-
Interest expense on borrowings	404	439	404	439
Interest expense on Right-of use assets	3,507	5,468	3,507	5,468
Loss on disposal of property, plant and equipment	(1)	-	(1)	-
(Gain) / Loss on disposal of subsidiary	-	87	-	87
Realised loss on foreign exchange	0	5	0	5
After crediting:-				
Gain on disposal of property, plant and equipment	48	30	48	30
Interest Income	2	2	2	2
Rental Income	472	735	472	735
Unrealised gain on foreign exchange	-	50	-	50

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B12 Status of Utilisation of Proceeds from Placement Shares

As at 31 March 2021, the Group had fully utilised the proceeds from private placement in the following manner:-

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance	Intended Timeframe for Utilisation	Deviation Amount	
					RM'000	%
Proceeds from Private Placement						
- Tranche 1	2,024	2,226	202			
- Tranche 2	2,024	2,064	40			
	4,048	4,290	242			
a) Property rental and related operating expenses						
- Property Rental	2,500	2,500	-	Within 12 months	-	0%
- Operating expenses - Sanitizing, swap test and specialised equipment	500	500	-	Within 12 months	-	0%
b) Administrative and operating expenses						
- Assets	600	486	114	Within 12 months	114	19%
Additional specialist manpower	348	304	44	Within 12 months	44	13%
c) Estimate expenses in relation to the Private Placement	100	93	7	Within 1 month	7	7%
Total	4,048	3,883	165		165	39%