

QUARTERLY REPORT FOR THE SECOND QUARTER 2020
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	As at 30.6.2020 RM'000	As at 31.12.2019 RM'000
Assets:		
Non-current assets		
Property, plant and equipment	1,587	1,711
Right-of-use assets	2,244	2,526
Intangible assets	5,161	5,165
Investment in associates	572	997
Deferred tax assets	745	724
	10,309	11,123
Current assets		
Trade receivables	32,022	32,453
Other receivables, deposits, contract assets and prepayments	5,250	3,578
Tax recoverable	978	742
Fixed deposits with licensed banks	2,605	5,545
Cash and bank balances	20,174	20,433
	61,029	62,751
Total Assets	71,338	73,874
Equity:		
Share capital	19,342	19,342
Reserves	11,712	16,290
Equity attributable to Owners of the Company	31,054	35,632
Non-controlling interests	2,094	2,987
Total Equity	33,148	38,619
Liabilities:		
Non-current liabilities		
Deferred tax liabilities	469	621
Lease liabilities	679	802
Retirement benefit obligations	623	605
	1,771	2,028

QUARTERLY REPORT FOR THE SECOND QUARTER 2020**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2020 (CONT'D)**

	As at 30.6.2020 RM'000	As at 31.12.2019 RM'000
Current liabilities		
Trade payables	22,131	18,971
Other payables, contract liabilities and accruals	12,332	11,208
Lease liabilities	946	1,053
Bank overdraft	971	994
Tax payable	39	1,001
	36,419	33,227
Total Liabilities	38,190	35,255
Total Equity and Liabilities	71,338	73,874
Net Assets per share attributable to Owners of the Company (sen)	22.32	25.63

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

QUARTERLY REPORT FOR THE SECOND QUARTER 2020
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 JUNE 2020**

	Note	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	Current year-to-date ended 30.6.2020 RM'000	Preceding year-to-date ended 30.6.2019 RM'000
Revenue		22,575	35,720	43,888	60,940
Direct costs		(14,854)	(23,722)	(28,233)	(38,885)
Gross profit		7,721	11,998	15,655	22,055
Other operating income		1,199	188	2,006	369
Other operating expenses		(10,619)	(10,719)	(23,408)	(22,054)
(Loss)/profit from operations		(1,699)	1,467	(5,747)	370
Finance costs		(55)	*	(118)	*
Share of loss in equity-accounted associates, net of tax		(59)	(109)	(328)	(266)
(Loss)/profit before tax	B6	(1,813)	1,358	(6,193)	104
Taxation	B7	(77)	(374)	100	(282)
(Loss)/profit after tax		(1,890)	984	(6,093)	(178)

Other Comprehensive (Loss)/Profit for the period, net of tax

*Item that may be reclassified subsequently
to profit or loss:*

Foreign currency translation	193	367	495	269
Total Other Comprehensive Profit for the period, net of tax	193	367	495	269
Total Comprehensive (Loss)/Profit	(1,697)	1,351	(5,598)	91

* represents value below RM1,000.

QUARTERLY REPORT FOR THE SECOND QUARTER 2020
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED 30 JUNE 2020 (CONT'D)**

	Note	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	Current year-to-date ended 30.6.2020 RM'000	Preceding year-to-date ended 30.6.2019 RM'000
(Loss)/profit attributable to:					
Owners of the Company		(1,543)	854	(5,222)	(188)
Non-controlling interests		(347)	130	(871)	10
		(1,890)	984	(6,093)	(178)
Total Comprehensive (Loss)/Profit attributable to:					
Owners of the Company		(1,458)	1,141	(4,786)	21
Non-controlling interests		(239)	210	(812)	70
		(1,697)	1,351	(5,598)	91
(Loss)/profit per share attributable to Owners of the Company (sen)					
Basic	B10	(1.11)	0.62	(3.75)	(0.14)

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

QUARTERLY REPORT FOR THE SECOND QUARTER 2020
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2020**

	Note	Current year-to-date ended 30.6.2020 RM'000	Preceding year-to-date ended 30.6.2019 RM'000
Cash Flows From Operating Activities			
(Loss)/profit before tax		(6,193)	104
Adjustments for:			
Non-cash and non-operating items	B6(i)	1,716	1,633
Addition of lease		(84)	-
Share of loss in equity-accounted associates, net of tax		328	266
Operating (loss)/profit before working capital changes		<u>(4,233)</u>	2,003
Decrease/(Increase) in trade and other receivables, deposits and prepayments		261	(3,646)
Increase in trade and other payables, contract liabilities and accruals		<u>3,182</u>	5,536
Cash (used in)/generated from operations		<u>(790)</u>	3,893
Income tax paid		(1,287)	(545)
Net cash (used in)/from operating activities		<u>(2,077)</u>	3,348
Cash Flows From Investing Activities			
Expenditure incurred on development expenditure		(858)	(655)
Increase in fixed deposits pledged		(305)	(1,013)
Interest received		122	172
Purchase of plant and equipment		(145)	(293)
Advances to associates		(416)	(452)
Proceeds from disposal of associate		364	-
Subscription of shares and investment in an associate		-	(151)
Disposal and allotment of shares to non-controlling interest		127	-
Net cash used in investing activities		<u>(1,111)</u>	(2,392)
Cash Flows From Financing Activities			
Interest paid		(43)	*
Repayment of lease liabilities		(728)	-
Net cash used in financing activities		<u>(771)</u>	*
Net (decrease)/increase in Cash and Cash Equivalents		(3,959)	956
Effects of exchange rate changes		478	269
Cash and Cash Equivalents at beginning of period		22,961	21,870
Cash and Cash Equivalents at end of period		19,480	23,095

QUARTERLY REPORT FOR THE SECOND QUARTER 2020**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2020 (CONT'D)**

	Note	Current year-to-date ended 30.6.2020 RM'000	Preceding year-to-date ended 30.6.2019 RM'000
Cash and Cash Equivalents comprised:			
Bank overdrafts		(971)	-
Cash and bank balances		20,174	20,694
Fixed deposits with licensed banks		2,605	4,369
		21,808	25,063
Less: fixed deposits pledged		(2,328)	(1,968)
		19,480	23,095

* represents value below RM1,000.

QUARTERLY REPORT FOR THE SECOND QUARTER 2020

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020**

	Attributable to Owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Reverse acquisition reserve	Foreign exchange reserve	Other reserves	Retained profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1.1.2020	19,342	(2,512)	20	248	18,534	35,632	2,987	38,619
Loss for the period	-	-	-	-	(5,222)	(5,222)	(871)	(6,093)
Other comprehensive income	-	-	436	-	-	436	59	495
Total Comprehensive Income/(Loss)	-	-	436	-	(5,222)	(4,786)	(812)	(5,598)
Disposal and allotment of shares to a non-controlling interest	-	-	2	-	206	208	(81)	127
Total transaction with Owners and changes in ownership interests	-	-	2	-	206	208	(81)	127
Balance as at 30.6.2020	19,342	(2,512)	458	248	13,518	31,054	2,094	33,148
Balance as at 1.1.2019	19,193	(2,512)	(155)	248	17,555	34,329	2,546	36,875
(Loss)/profit for the period	-	-	-	-	(188)	(188)	10	(178)
Other comprehensive income	-	-	209	-	-	209	60	269
Total Comprehensive Income/(Loss)	-	-	209	-	(188)	21	70	91
Issuance of ordinary shares pursuant to ESS	149	-	-	-	-	149	-	149
Total transaction with Owners and changes in ownership interests	149	-	-	-	-	149	-	149
Balance as at 30.6.2019	19,342	(2,512)	54	248	17,367	34,499	2,616	37,115

(The accompanying explanatory notes form an integral part of this quarterly report and should be read in conjunction with the audited financial statements for the year ended 31 December 2019)

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

The unaudited interim financial report (“the quarterly report”) have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Chapter 9, Part K - Periodic Disclosures of the Listing Requirements of Bursa Malaysia Securities Berhad

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting (“MFRS 134”) issued by the MASB

A1. Basis of preparation

This quarterly report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 and the accompanying explanatory notes, which 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 year ended 31 December 2019.

A2. Significant accounting policies

The significant accounting policies and methods of computation applied in preparing the unaudited interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2019 except for the newly-issued MFRS, interpretations and amendments to standards to be applied for the financial periods beginning on or after 1 January 2020:

a) New MFRSs adopted during the financial year

The Group adopted the following Amendments to the Standards effective from the current quarter 2020, that are mandatory for annual periods beginning on or after 1 January 2020.

<u>Title</u>	<u>Effective date</u>
Amendments to <i>References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
Amendments to MFRS 3 <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101 and MFRS 108 <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 <i>Interest Rate Benchmark Reform</i>	1 January 2020
Amendments to MFRS 16 <i>Covid 19 Related Rent Concessions</i>	1 June 2020

The adoption of the above Standards did not have any material effect on the financial performance or position of the Group and the Company.

b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2021

The following are the Standards of the MFRSs Framework that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been early adopted by the Group and the Company.

MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2022
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are still in the process of assessing the impact of the above standard and amendments since the effects would be observable in the future financial years.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

A3. Seasonality or cyclical of interim operations

In general, online advertising activities would pick up during the second half of the calendar year especially towards year end.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group because of their nature, size or incidence.

A5. Changes in estimates of amounts reported previously

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect in the current financial period.

A6. Issues, repurchases and repayments of debts and equity securities

There were no issuance, cancellations, repurchases, resales and repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current quarter and current year-to-date ended 30 June 2020.

A7. Dividends paid

There were no dividend paid by the Company during the current quarter and current year-to-date ended 30 June 2020.

A8. Segmental information

The Group's core activities are principally for the provision of technology-based online advertising solutions and other internet related services. The segment information is presented in respect of the Group's geographical areas which are based on the Group's management and internal reporting structure.

The Group operates mainly in ten geographical areas as follows:-

- i) Malaysia;
- ii) Singapore;
- iii) Vietnam;
- iv) Indonesia;
- v) Hong Kong and China;
- vi) Philippines;
- vii) Taiwan;
- viii) South Korea;
- ix) Cambodia; and
- x) Myanmar.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020
A8. Segmental information (Cont'd)

The segment's financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

The assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rates of exchange ruling at the reporting date and income and expenses are translated at the dates of transactions. The exchange differences arising from the translation are taken directly to other comprehensive income. However, if the operation is a non wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest.

The principal exchange rates for every unit of foreign currency used are as follows:

	30 June 2020		30 June 2019	
	Closing rate	Average rate	Closing rate	Average rate
	RM	RM	RM	RM
1 Singapore Dollar	3.071	3.039	3.054	3.031
1 Hong Kong Dollar	0.553	0.548	0.529	0.525
1 Chinese Renminbi	0.606	0.604	0.602	0.607
1 US Dollar	4.284	4.250	4.132	4.120
100 Indonesian Rupiah	0.030	0.029	0.029	0.029
100 Thai Baht	-	13.440	-	13.033
100 Philippines Peso	8.600	8.390	8.065	7.895
100 Vietnamese Dong	0.018	0.018	0.018	0.018
100 New Taiwan Dollar	14.554	14.167	13.332	13.299
100 South Korean Won	0.357	0.352	0.357	0.360

QUARTERLY REPORT FOR THE SECOND QUARTER 2020

A8. Segmental information (Cont'd)

Current year-to-date ended 30 June 2020

Operating Segments

	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Hong Kong and China RM'000	Philippines RM'000	Taiwan RM'000	South Korea RM'000	Cambodia RM'000	Myanmar RM'000	Inter- segment eliminations RM'000	Group RM'000
Revenue												
Revenue from external customers	14,076	5,232	6,749	1,781	9,738	3,093	1,296	534	1,337	52	-	43,888
Inter-segment revenue	2,155	-	7	8	19	143	46	87	49	-	(2,514)	-
Total revenue	16,231	5,232	6,756	1,789	9,757	3,236	1,342	621	1,386	52	(2,514)	43,888
Segment Results												
Results from operating activities	(2,018)	(352)	159	(982)	(27)	(1,213)	(677)	(416)	66	(164)	(123)	(5,747)
Finance costs	(73)	(20)	(49)	(14)	(1)	(6)	(69)	-	(9)	-	123	(118)
Share of loss in equity- accounted associates, net of tax	(80)	(248)	-	-	-	-	-	-	-	-	-	(328)
(Loss)/Profit before tax	(2,171)	(620)	110	(996)	(28)	(1,219)	(746)	(416)	57	(164)	-	(6,193)
Taxation	133	-	-	(2)	-	(1)	-	-	(30)	-	-	100
(Loss)/Profit after tax	(2,038)	(620)	110	(998)	(28)	(1,220)	(746)	(416)	27	(164)	-	(6,093)
Non-controlling interests	49	-	(25)	489	49	61	149	42	-	57	-	871
(Loss)/Profit attributable to Owners of the Company	(1,989)	(620)	85	(509)	21	(1,159)	(597)	(374)	27	(107)	-	(5,222)
Assets												
Segment assets	48,365	6,659	8,927	5,027	17,553	12,550	1,773	163	1,780	166	(31,625)	71,338
Liabilities												
Segment liabilities	12,132	3,008	5,245	1,949	4,990	8,155	1,192	429	1,046	44	-	38,190

QUARTERLY REPORT FOR THE SECOND QUARTER 2020

A8. Segmental information (Cont'd)

Current year-to-date ended 30 June 2020 (cont'd)

Operating Segments (cont'd)

	Singapore SGD'000	Vietnam VND'Mil	Indonesia IDR'Mil	Hong Kong HKD'000	China CNY'000	Philippines PHP'000	Taiwan TWD'000	South Korea KRW'000	Cambodia USD'000	Myanmar USD'000
<u>Revenue</u>										
Revenue from external customers	1,722	37,493	6,140	17,751	18	36,865	9,150	151,670	314	12
Inter-segment revenue	-	37	27	35	-	1,701	328	24,738	11	-
Total revenue	1,722	37,530	6,167	17,786	18	38,566	9,478	176,408	325	12
<u>Segment Results</u>										
Results from operating activities	(116)	886	(3,387)	(59)	10	(14,460)	(4,785)	(118,397)	16	(39)
Finance costs	(7)	(270)	(48)	(2)	-	(71)	(485)	-	(2)	-
Share of loss in an equity- accounted associate, net of tax	(82)	-	-	-	-	-	-	-	-	-
(Loss)/Profit before tax	(205)	616	(3,435)	(61)	10	(14,531)	(5,270)	(118,397)	14	(39)
Taxation	-	-	(8)	-	-	(14)	-	-	(7)	-
(Loss)/Profit after tax	(205)	616	(3,443)	(61)	10	(14,545)	(5,270)	(118,397)	7	(39)
Non-controlling interests	-	(141)	1,687	90	-	727	1,054	11,840	-	14
(Loss)/Profit attributable to Owners of the Company	(205)	475	(1,756)	29	10	(13,818)	(4,216)	(106,557)	7	(25)
<u>Assets</u>										
Segment assets	2,168	49,593	16,758	31,148	541	145,935	12,182	45,748	416	39
<u>Liabilities</u>										
Segment liabilities	1,105	55,562	9,423	9,749	937	103,817	45,976	330,307	462	134

QUARTERLY REPORT FOR THE SECOND QUARTER 2020

A8. Segmental information (Cont'd)

Preceding year-to-date ended 30 June 2019

Operating Segments (cont'd)

	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Hong Kong and China RM'000	Philippines RM'000	Taiwan RM'000	South Korea RM'000	Cambodia RM'000	Myanmar RM'000	Inter- segment eliminations RM'000	Group RM'000
Revenue												
Revenue from external customers	20,116	6,713	1,618	11,394	13,183	4,829	2,097	459	531	-	-	60,940
Inter-segment revenue	1,557	141	63	109	34	49	88	-	*	-	(2,041)	-
Total revenue	21,673	6,854	1,681	11,503	13,217	4,878	2,185	459	531	-	(2,041)	60,940
Segment Results												
Results from operating activities	67	52	(205)	(2)	666	567	(188)	(305)	(52)	(108)	(122)	370
Finance costs	(7)	(12)	(39)	(3)	-	(6)	(55)	-	-	-	122	-
Share of profit in equity- accounted associates, net of tax	(144)	(122)	-	-	-	-	-	-	-	-	-	(266)
(Loss)/Profit before tax	(84)	(82)	(244)	(5)	666	561	(243)	(305)	(52)	(108)	-	104
Taxation	(246)	-	-	49	(56)	(29)	-	-	-	-	-	(282)
(Loss)/Profit after tax	(330)	(82)	(244)	44	610	532	(243)	(305)	(52)	(108)	-	(178)
Non-controlling interests	38	-	49	(22)	(127)	(27)	49	30	-	-	-	(10)
(Loss)/Profit attributable to Owners of the Company	(292)	(82)	(195)	22	483	505	(194)	(275)	(52)	(108)	-	(188)
Assets												
Segment assets	54,305	7,506	4,038	14,924	17,268	10,754	2,711	429	417	94	(35,056)	77,390
Liabilities												
Segment liabilities	15,901	3,786	4,871	10,825	8,753	6,803	6,527	759	661	375	(18,986)	40,275

* represents value below RM1,000.

QUARTERLY REPORT FOR THE SECOND QUARTER 2020

A8. Segmental information (Cont'd)

Preceding year-to-date ended 30 June 2019 (cont'd)

Operating Segments (cont'd)

	Singapore SGD'000	Vietnam VND'Mil	Indonesia IDR'Mil	Hong Kong HKD'000	China CNY'000	Philippines PHP'000	Taiwan TWD'000	South Korea KRW'000	Cambodia USD'000	Myanmar USD'000
<u>Revenue</u>										
Revenue from external customers	2,215	8,989	39,290	25,111	-	61,166	15,769	127,440	129	-
Inter-segment revenue	46	350	376	65	-	617	660	-	*	-
Total revenue	2,261	9,339	39,666	25,176	-	61,783	16,429	127,440	129	-
<u>Segment Results</u>										
Results from operating activities	17	(1,141)	(6)	1,316	(41)	7,183	(1,417)	(84,626)	(13)	(26)
Finance costs	(4)	(218)	(9)	-	-	(76)	(417)	-	-	-
Share of profit in equity-accounted associates, net of tax	(40)	-	-	-	-	-	-	-	-	-
(Loss)/Profit before tax	(27)	(1,359)	(15)	1,316	(41)	7,107	(1,834)	(84,626)	(13)	(26)
Taxation	-	-	168	(106)	-	(369)	-	-	-	-
(Loss)/Profit after tax	(27)	(1,359)	153	1,210	(41)	6,738	(1,834)	(84,626)	(13)	(26)
Non-controlling interests	-	266	(76)	(242)	-	(337)	367	8,463	-	-
(Loss)/Profit attributable to Owners of the Company	(27)	(1,093)	77	968	(41)	6,401	(1,467)	(76,163)	(13)	(26)
<u>Assets</u>										
Segment assets	2,458	22,434	51,463	32,058	514	133,345	20,332	120,104	101	23
<u>Liabilities</u>										
Segment liabilities	1,240	27,059	37,327	15,475	942	84,355	48,955	212,729	160	91

* represents value below RM1,000.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

A9. Valuation of property, plant and equipment

There were no valuation of property, plant and equipment in the current quarter and current year-to-date ended 30 June 2020.

A10. Material events subsequent to the end of the current quarter that have not been reflected in this quarterly report

On 6 August 2020, Innity Korea Co., Ltd. ("Innity Korea"), a 90% direct-owned subsidiary of Innity Sdn Bhd. ("ISB"), which is also an indirect-owned subsidiary of the Company, issued additional 6,765 new ordinary shares with total cash consideration of KRW33,825,000 (or equivalent to RM119,538 at the exchange rate of KRW1:RM0.003534). The new issuance were subscribed by Mr. Lee Kyoung Min and Mr. Lee Tae Jong respectively.

Upon the completion of the subscription, the Company's effective equity interest in the shares of Innity Korea is diluted from 90% to 79.87%.

A11. Effects of changes in the composition of the Group for the current year-to-date

(a) Acquisition of equity interests by non-controlling interest in Myanmar

Innity Myanmar Co., Ltd ("Innity Myanmar"), a wholly-owned subsidiary of Innity Sdn Bhd ("ISB"), which is a wholly-owned subsidiary of the company has issued additional 40,000 new ordinary shares. The 31,500 and 8,500 new ordinary shares were subscribed by Myanmar Marketing Research and Development ("MMRD") and ISB respectively via total cash consideration of USD40,000 (or equivalent to RM162,360 at the exchange rate of USD1: RM4.059) on 17 January 2020 and 11 February 2020.

Upon the completion, the Company's effective equity interest in shares of Innity Myanmar is diluted from 100% to 65%.

On 7 May 2020, Innity Singapore Pte. Ltd. ("ISPL"), an indirect wholly-owned subsidiary of Innity Corporation Berhad ("ICB") entered into an agreement with FiveStones Limited ("FiveStones Ltd") to fully dispose 245,000 ordinary shares in FiveStones Digital (SEA) Pte. Ltd. ("FiveStones Digital") with sales proceeds of SGD120,000 to FiveStones Ltd. The conditions stated in the agreement had been satisfied and the disposal was completed on 31 May 2020.

Saved as disclosed above, there were no changes in the composition of the Group in the current quarter and current year-to-date ended 30 June 2020 under review.

A12. Changes in contingent liabilities or contingent assets

The Directors are of the opinion that the Group has no contingent liabilities or contingent assets which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

A13. Significant unrecognised contractual commitments

Capital commitment authorised but not provided for in the financial statements is as follows:

	As at 30.6.2020	As at 30.6.2019
Purchase of leasehold shop office - Approved but not provided for	357,000	-

A14. Significant related party transactions

The following were the significant related party transactions: -

	Current year-to-date ended 30.6.2020 <u>RM</u>	Preceding year-to-date ended 30.6.2019 <u>RM</u>
Sales of advertisement space	212,484	887,573
Purchase of advertisement space	606,299	345,285
Purchase of online recruitment services	-	1,064
Bookkeeping fees	5,000	6,000
Royalty fees	121,966	66,829
Management fees	274,302	121,582

The above transactions had been entered into the ordinary course of business on normal commercial terms and not materially different from those obtainable in transactions with unrelated parties.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020**PART B - Explanatory Notes Pursuant to Chapter 9, Part K - Periodic Disclosures, Part A of Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)****B1. Performance analysis of the Group for the current quarter and year-to-date**

The Group’s review of financial performance are analysed as follows:

	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	% change	Current year-to-date ended 30.6.2020 RM'000	Preceding year-to-date ended 30.6.2019 RM'000	% change
Overall performance analysis						
Revenue	22,575	35,720	(37%)	43,888	60,940	(28%)
(Loss)/profit from operations	(1,699)	1,467	> (100%)	(5,747)	370	> (100%)
Finance costs	(55)	*	(100%)	(118)	*	(100%)
Share of loss of equity-accounted associates, net of tax	(59)	(109)	46%	(328)	(266)	(23%)
(Loss)/profit before tax	(1,813)	1,358	> (100%)	(6,193)	104	> (100%)
(Loss)/profit after tax	(1,890)	984	> (100%)	(6,093)	(178)	> (100%)
(Loss)/profit attributable to Owners of the Company	(1,543)	854	> (100%)	(5,222)	(188)	> (100%)

Current Year-To-Date (“6M20”) compared with Preceding Year-To-Date (“6M19”)**(i) Group’s overview of Revenue, Gross Profit and Loss Before Tax**

In 6M20, The Group reported total revenue of RM43.88 million, representing a decrease of RM17.06 million or 28% in revenue as compared with RM60.94 million recorded in 6M19. The coronavirus outbreak posted a unprecedented uncertainty which has severely affected the consumer advertising spending behaviour. Majority of the business units recorded a decrease in revenue in 6M20, except for Vietnam, South Korea, Cambodia and Myanmar. The Loss Before Tax (“LBT”) was in tandem with the reduction in revenue.

(ii) Group’s overview of Other Income and Other Operating Expenses**Other income**

In 6M20, other income has increased by RM1.63 million or more than four fold from RM0.37 million in 6M19 to RM2.0 million in 6M20 mainly due to the Government Wages Subsidy Scheme granted to Singapore, Taiwan and Hong Kong business unit and gain on the disposal of shareholdings in Fivestones Digital.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)

Current Year-To-Date ("6M20") compared with Preceding Year-To-Date ("6M19") (Cont'd)

(ii) Group's overview of Other Income and Other Operating Expenses (cont'd)

Other operating expenses

The Group's other operating expenses consist of staff costs, amortisation and depreciation costs, selling and distribution costs and administration expenses.

Other operating expenses was increased by 6% or RM1.36 million from RM22.05 million in 6M19 to RM23.41 million in 6M20. The increase in operating expenses was mainly attributed from the higher staff costs and depreciation expenses. The rise in depreciation expenses was due to the adoption of MFRS 16 Leases effective from 4Q19, the addition of depreciation in right of use assets amounting to RM0.79 million.

(iii) Group's overview of Liquidity and Financial Ratio

The Group's principal sources of liquidity are cash from operations and overdrafts.

The following summarises the various sources of cash flows as at 30 June 2020 against 30 June 2019:

	Current year- to-date ended 30 June 2020 RM'000	Preceding year- to-date ended 30 June 2019 RM'000
Net cash (used in)/generated from		
- Operating activities	(2,077)	3,348
- Investing activities	(1,111)	(2,392)
- Financing activities	(771)	*
- Exchange difference	478	269
Net (decrease)/increase in cash and cash equivalents	(3,481)	1,225

The Group has cash and cash equivalents amounting to RM19.48 million as at 30 June 2020 as compared with RM23.10 million as at 30 June 2019. The debts to equity ratio as at 30 June 2020, rose to 0.08 times (6M19:Nil).

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)

Current Quarter ("2Q20") compared with Comparative Quarter of Preceding Year ("2Q19")

(i) Group's overview of Operating Segments

	Revenue from external customers			(Loss)/Profit before tax		
	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	% change	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	% change
Operating segments						
- Malaysia	6,960	11,584	(40%)	(349)	765	> (100%)
- Singapore	2,703	3,090	(13%)	(26)	(81)	68%
- Vietnam	4,624	902	> 100%	184	(79)	> 100%
- Indonesia	839	9,127	(91%)	(418)	144	> (100%)
- Hong Kong and China	4,135	7,025	(41%)	43	594	(93%)
- Philippines	1,269	2,569	(51%)	(806)	466	> (100%)
- Taiwan	970	1,076	(10%)	(116)	(143)	19%
- South Korea	277	209	33%	(238)	(165)	(44%)
- Cambodia	783	138	> 100%	41	(75)	> 100%
- Myanmar	15	-	100%	(128)	(68)	(88%)
	22,575	35,720	(37%)	(1,813)	1,358	> (100%)

Malaysia segment's revenue was badly impacted amidst the coronavirus outbreak. Due to Malaysia's Movement Control Order (MCO) imposed from mid-March 2020 and subsequently extended to mid-May 2020, the segment's revenue fell by 40% or RM4.62 million to RM6.96 million in 2Q20. The LBT of RM0.35 million was recorded in the current quarter as compared to PBT of RM0.77 million in 2Q19. The LBT was in tandem with the reduction in

Singapore segment's revenue fell by 13% or RM0.39 million to a total of RM2.7 million in 2Q20. The deteriorated revenue was affected by the coronavirus pandemic lockdown imposed in early of April. Nevertheless, with the support from the Government Wages Subsidy Scheme has consequently improved the segment's performance with lesser LBT of RM0.03 million being recorded in 2Q20 as compared to LBT of RM0.08 million posted in 2Q19.

In the current period, Vietnam segment registered a revenue of RM4.62 million and PBT of RM0.18 million in 2Q20 as compared to RM0.90 million in revenue and LBT of RM0.08 million in 2Q19. The encouraging results was derived from the returning of huge advertising spending from an existing inactive customer and additional advertising spending awarded from new customers. The positive turnaround results from LBT of RM0.08 million to PBT of RM0.18 million was in tandem with the increase in revenue.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020**B1. Performance analysis of the Group for the current quarter and year-to-date (Cont'd)***Current Quarter ("2Q20") compared with Comparative Quarter of Preceding Year ("2Q19") (Cont'd)***(i) Group's overview of Operating Segments (cont'd)**

Indonesia segment's revenue declined from RM9.1 million in 2Q19 to RM0.84 million in 2Q20, representing a 91% or RM8.29 million lower than 2Q19. This is mainly attributed to a discontinued partnership with a local partner because of an unfavorable profit margin arrangement with the company. The LBT was in tandem with the decline in revenue.

In 2Q20, Hong Kong segment's advertising market that was severely hit by the coronavirus outbreak and political instability has created an environment of significant uncertainty. This has left the advertisers uncertain and adopted more cautious spending on their advertising budget. Its performance was impacted negatively, revenue and PBT decreased by RM2.89 million or 41% and RM0.55 million or 93% respectively. China segment did not contribute significantly to the Group's result as a whole and it remains challenging as the segment is experiencing a transitional period in the process of revising its business strategy and streamlining operations by minimising operating costs.

The Philippines posted lower revenue in 2Q20 at RM1.27 million as compared with revenue of RM2.57 million in 2Q19, representing 51% or RM1.30 million decrease against 2Q19. The drop in revenue was affected by the unprecedented coronavirus pandemic as well as the the loss of revenue from prior year's highest spending advertisers particularly from automotive and travel industries. The sharp decline in revenue has consequently led to LBT.

For the 2Q20, Taiwan segment's revenue decreased by 10% or RM0.11 million from RM1.08 million to RM0.97 million in 2Q19. Nevertheless, the segment is making a good progress to regain local market shares as the performance has improved against immediate preceding quarter. LBT for the current quarter improved by 17% or RM0.03 million as compared to corresponding same quarter in preceding year. The factors contributing to the lower LBT were the support received from Government Wages Subsidy and lower operating costs incurred in the 2Q20.

South Korea segment's revenue had increased by RM0.07 million or 33% from RM0.21 million in 2Q19 to RM0.28 million in 2Q20. The improvement was mainly attributed to the new revenue source brought in from new customers. Despite an increase in revenue, a further loss of RM0.07 million or 44% was registered, from LBT of RM0.17 million in 2Q19 to LBT of RM0.24 million in 2Q20, was mainly due to higher staff costs incurred in the current period.

For the current period under review, Cambodia segment's revenue rose by RM0.65 million or more than fourfold from RM0.14 million in 2Q19 to RM0.79 million in 2Q20. The increase in revenue was mainly contributed from the new customers, resulting from the Cambodia team's past effort in expanding the clientele base. The segment generated a PBT of RM0.04 million as compared to LBT of RM0.08 million in 2Q19 which is consistent with the increase in revenue.

In 2Q20, Myanmar segment has gradually received local market acceptance, a minimal revenue of RM0.02 million was registered in 2Q20. The higher LBT recorded in 2Q20 was mainly due to higher operating costs incurred in the current quarter as compared to 2Q19.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

B2. Commentary on current quarter compared with immediate preceding quarter

The Group's review of financial performance are analysed as follows:

	Current quarter ended 30.6.2020 RM'000	Immediate preceding quarter ended 31.3.2020 RM'000	% change
Overall performance analysis			
Revenue	22,575	21,313	6%
Loss from operations	(1,699)	(4,048)	58%
Finance costs	(55)	(63)	13%
Share of loss in equity-accounted associates, net of tax	(59)	(269)	78%
Loss before tax	(1,813)	(4,380)	59%
Loss after tax	(1,890)	(4,203)	55%
Loss attributable to Owners of the Company	(1,543)	(3,679)	58%

For the second quarter ended 30 June 2020, the group's revenue rose by RM1.27 million or 6% from RM21.31 million in 1Q20 to RM22.58 million in 2Q20, Malaysia, Singapore, Vietnam, Taiwan and Cambodia are among the segments that performed better compared against the immediate preceding quarter.

In 2Q20, the group posted a lower LBT of RM1.81 million as compared to RM4.38 million in 1Q20, this was mainly due to lower staff cost incurred couple with lower spending in other operating expenses.

B3. Commentary on current year prospects and progress on previously announced revenue or profit forecast

(a) Prospects for the financial year ending 31 December 2020

The Coronavirus outbreak that was declared a global health emergency by the World Health Organisation in the previous quarter coupled with the various movement restriction measures imposed by the Governments in the region, had severely affected the group financial performance and group cash flows. The Group is also likely to be impacted by the impairment in financial assets as a result of poor market conditions and business uncertainty. Nevertheless, the management has taken a number of measures including resizing of the business entities to optimising the group performance and will continue to implement any necessary action plans to minimise the group losses and improve the group cash flows to mitigate the adverse impact on the group performance. In view of the above, the Board is cautious in its business outlook in the medium term. However, in the longer term, the Board remains cautiously optimistic and will continue to innovate and deliver effective data-driven online advertising solutions. The solutions will mainly focus on content marketing, programmatic advertising, as well as the new influencer marketing platform to help advertisers, including SMEs better engage with their audience, and share compelling brand stories.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection or internal targets previously announced

There was no revenue or profit forecast previously announced by the Company.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020**B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced**

There was no revenue or profit forecast previously announced by the Company.

B5. Profit forecast/profit guarantee previously announced

There was no profit forecast or profit guarantee previously announced by the Company.

B6. (Loss)/profit before tax

	Note	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	Current year-to-date ended 30.6.2020 RM'000	Preceding year-to-date ended 30.6.2019 RM'000
Loss before tax is arrived at after charging:					
Amortisation of development expenditure	(i)	430	400	861	800
Allowance for doubtful debts	(i)	262	131	620	348
Depreciation	(i)	538	166	1,106	312
Shares granted under ESS	(i)	-	149	-	149
Interest expense					
- bank overdraft	(i)	17	*	43	*
- lease rental interest	(i)	38	-	75	-
Loss on foreign exchange					
- realised		10	11	30	74
- unrealised	(i)	(131)	(24)	12	143
Retirement benefits	(i)	-	31	-	62
And (crediting):					
Allowance for doubtful debts no longer required	(i)	25	49	-	(9)
Gain on disposal of investment	(i)	(280)	-	(280)	-
Gain on foreign exchange					
- realised		9	(21)	(33)	(52)
- unrealised	(i)	(77)	7	(599)	*
Interest income	(i)	(52)	(112)	(122)	(172)
Other income					
- miscellaneous		(824)	(62)	(972)	(145)

(i) represents non-cash and operating items for Statements of Cash Flows.

* represents value below RM1,000.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020**B7. Taxation**

	Current quarter ended 30.6.2020 RM'000	Comparative quarter ended 30.6.2019 RM'000	Current year-to- date ended 30.6.2020 RM'000	Preceding year-to- date ended 30.6.2019 RM'000
In respect of the current year				
Malaysian income tax	(4)	138	19	143
Outside Malaysia	15	85	15	85
Under/(over) provision in respect of prior years				
Malaysian income tax	-	-	-	-
Outside Malaysia	16	-	16	(49)
Deferred taxation	54	151	(146)	103
	81	374	(96)	282

Malaysia segment's subsidiaries and Cambodia segment were subject to tax provision on taxable profit based on the current year income tax rate.

B8. Changes in material litigation

As at 17 August 2020 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report), saved as disclosed below, the Group was not engaged in any material litigation, claims nor arbitration either as plaintiff or defendant and the Directors are not aware of any proceeding pending or threatened against the Group or of any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”)

The Company had on 11 May 2017 announced that ICCL, a subsidiary of the Company, had on 4 May 2017, via its solicitors, Messrs. Chau & Associates, filed a Writ of Summons and Statement of Claim and Mediation Certificate in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LeSports HK (“the Defendants”) for the claim sum of HK\$3,849,755.55 in respect of outstanding advertising fees for services provided by ICCL. ICCL is also claiming interest on overdue advertising fees and costs of the litigation action against the Defendants. A sum of HK\$3,849,755.55 doubtful debts was provided in the 1st quarter of year 2017.

ICCL had on 16 June 2017 received an offer letter together with HKD515,000 settlement amount from LeSports HK, inclusive of HKD15,000 legal cost. The amount of HKD500,000 write back of trade receivable was effected in the quarter.

Subsequently, ICCL entered into a settlement agreement with LeSports HK which recorded the full and final settlement of ICCL claim on 19 June 2017. The said settlement is to be made over 3 installments: -

- (i) a sum of HKD515,000, inclusive of HKD15,000 legal costs, which was paid by LeSports HK by way of a cheque dated 15 June 2017(received on 16 June 2017);
- (ii) a sum of HKD1,674,877.78 of the outstanding sum to be paid by LeSports HK on or before 31 August 2017; and
- (iii) the balance of the outstanding sum in the sum of HKD1,674,877.78 to be paid by LeSports HK on or before 30 September 2017.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

B8. Changes in material litigation (Cont'd)

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont'd)

Within 3 working days from receiving payment under (iii) above, ICCL shall cause its solicitors to take all necessary steps to discontinue this litigation action, which includes the service of notice of discontinuance on LeSports HK.

Subject to and conditional upon the fulfilment of payment obligations under item (ii) and (iii) above by LeSports HK, ICCL undertakes to withhold further proceedings, and withhold from giving further instructions to its solicitors to proceed with this litigation action.

On 5 September 2017, LeSports HK had failed to perform their payment obligations in accordance with Clause 1(b) of the settlement agreement which stipulates that a sum of HKD1,674,877.78 of the Outstanding Sum to be paid by LeSports HK on or before 31 August 2017.

LeSports HK had subsequently requested and ICCL had consented to give an extension of time until 30 September 2017 to fully settle the balance of the Outstanding Sum amounting to HKD3,349,755.55.

However, on 2 October 2017, LeSports HK had also failed to perform their payment obligations in accordance with Clause 1(a) and (b) of the settlement agreement which stipulate that the balance of the Outstanding Sum amounting to HKD3,349,755.55 is supposed to be fully settled on or before 30 September 2017.

Accordingly, the Company had on 17 October 2017 further announced that ICCL, had on 16 October 2017, via its solicitors, Messrs. Chau & Associates, re-filed a Writ of Summons and Amended Statements of Claim in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LeSports HK.

The particulars of the Amended Statement of Claim under the Writ of Summons (“the Writ”) are as follows:

- (i) Repayment of the debt sum HK\$3,349,755.55 (after taking into account the partial settlement of HK\$500,000 by LeSports HK on the 15 June 2017);
- (ii) Interest pursuant to Section 48 and 49 of the High Court Ordinance of the Hong Kong Special Administrative Region, Cap.4 on any and all sums found to be due to it at such rate and for such periods as the Court deems fit and proper (the amount claimed is not stated in the Writ);
- (iii) Costs of this litigation action; and
- (iv) Further and other relief as the Court deems fit.

On 28 October 2017, LeSports HK after having acknowledged the service of ICCL’s Writ of Summons, had on 29 November 2017, via its solicitors, Messrs. K&L Gates, filed an application for an Order in the High Court of the Hong Kong Special Administrative Region that the Defendant’s obligation to file and serve its Defence to Counterclaim (if any) be extended for 28 days from the date of the order to be made.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

B8. Changes in material litigation (Cont'd)

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont'd)

Subsequently, on 2 January 2018, LeSports HK filed another application for an Order in the High Court of the Hong Kong Special Administrative Region via its solicitors, Messrs. K&L Gates that: -

- (i) The time for the Defendant to file and serve its Defence and Counterclaim (if any) pursuant to the Order of Master S.Lo dated 5 December 2017 be extended for 28 days from the date of the order to be made therein; and
- (ii) Costs of the application be charged to the Plaintiff.

The hearing of the above application on the part of the Defendant had been fixed on 8 January 2018.

ICCL and LeSports HK had on 5 January 2018, via their respective solicitors, Messrs. Chau & Associates and Messrs. K&L Gates, jointly filed an application for an Order (Consent Summons) in the High Court of the Hong Kong Special Administrative Region (“the Court”) that: -

- (i) Unless by 4.00 p.m. on 5 February 2018 the Defendant do file and serve its Defence and Counterclaims (if any), the Defendant be debarred from doing the same and the Plaintiff be at liberty to apply for judgment to be entered against the Defendant with costs;
- (ii) The hearing of the Defendant’s summons (the “Defendant’s Summons”) dated 2 January 2018 scheduled before Master Gary C C Lam on 8 January 2018 at 2.30 p.m. be vacated; and
- (iii) Costs of the Defendant’s Summons and its application agreed at HK\$1,040 be paid by the Defendant to the Plaintiff.

The above Order was consented by the Court on the 8 January 2018.

On 5 February 2018, LeSports HK via its solicitors, Messrs. K&L Gates, filed and served its Defence in the High Court of the Hong Kong Special Administrative Region against ICCL’s Amended Statement of Claim dated on 16 October 2017.

Accordingly, ICCL had caused its solicitors to take all necessary steps to continue this litigation action including the application for summary judgement, and any further material development of the matter will be announced in due course.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020

B8. Changes in material litigation (Cont'd)

(a) Claims made by Innity China Co., Limited (“ICCL”) (the “Plaintiff”) against LETV Sports Culture Develop (HK) Company Limited (“LeSports HK”) (the “Defendant”) (cont'd)

Subsequently, on 6 February 2018, ICCL and LeSports HK, via their respective solicitors, Messrs. Chau & Associates and Messrs. K&L Gates, jointly filed an application for an Order (Consent Order) in the High Court of the Hong Kong Special Administrative Region that all proceedings be stayed except for the purpose of carrying out the Consent Order and the agreed terms set forth thereto:

- (i) That the Defendant do pay the Plaintiff the sum of HK\$3,349,755.55 [the “Settlement Sum”] (inclusive of interest) in full and final settlement of the Plaintiff’s claim in the following manner:
 - (a) HK\$500,000.00 on 5 February 2018 (received on 5 February 2018);
 - (b) HK\$1,424,878.00 on 15 March 2018; and
 - (c) HK\$1,424,877.55 on 15 April 2018.
- (ii) That Defendant do pay the Plaintiff’s costs of this action from 16 June 2017 up to the date hereof on a party-and-party basis to be taxed, if not agreed; and
- (iii) That upon payment of the Settlement Sum including the payment of costs as aforesaid, the Plaintiff shall apply for leave to withdraw this action with no order as to costs and the Defendant shall give its respective consent to such application.

On 12 March 2018, LeSports HK had been issued with a winding-up petition by two listed applicants, namely MP & Silva Pte and Media Partners & Silva. Their first hearing for the present winding-up action has been scheduled on 16 May 2018.

Due to this petition, LeSports HK would not perform its payment obligations in accordance with Schedule 1(b) and (b) of the Consent Order dated 6 February 2018 until the petition is withdrawn.

Accordingly, ICCL had caused its solicitors to take all necessary steps to deal with this litigation.

On 4 June 2018, LeSports HK had been issued with a winding-up order by The High Court of the Hong Kong Special Administrative Region (“the Court”). The Court has made a normal winding-up order of which the costs of the supporting contributory are paid out of the assets of LeSports HK.

ICCL had accordingly filed a Proof of Debt to the Court in the prescribed form on 15 June 2018.

On 9 June 2020, ICCL received a Notice of Adjudication of Proof of Debt dated 3 June 2020 from the Joint and Several Liquidator of the Defendant, KPMG Advisory (Hong Kong) Limited (“the Liquidator”). In the Notice of Adjudication of Proof of Debt, the Liquidator had admitted ICCL’s claim in the sum of HK\$2,849,755.55 in full as unsecured claim against the Defendant.

B9. Dividends

There is no dividend declared and paid for the current quarter or the current year-to-date ended 30 June 2020.

QUARTERLY REPORT FOR FIRST QUARTER ENDED 30 JUNE 2020**B10. Loss Per Share (“LPS”) attributable to Owners of the Company**

	Current quarter ended 30.6.2020	Comparative quarter ended 30.6.2019	Current year-to-date ended 30.6.2020	Preceding year-to-date ended 30.6.2019
Basic LPS				
Loss attributable to Owners of the Company (RM'000)	(1,543)	854	(5,222)	(188)
Weighted average number of ordinary shares in issue ('000)	139,130	138,797	139,130	138,797
Basic LPS (sen)	(1.11)	0.62	(3.75)	(0.14)

Diluted loss per share is not computed as the Company does not have any convertible financial instruments as at 30 June 2020.

B11. Audit report of preceding annual financial statements

The audit report of the Group’s annual financial statements for the preceding year were not subject to any qualification.

B12. Status of corporate proposals

There were no corporate proposals announced but not yet completed as at 17 August 2020 (being the date not earlier than 7 days before the date of this announcement).

B13. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the Board of Directors’ meeting held on 24 August 2020.

By Order of the Board

Phang Chee Leong
Executive Chairman

24 August 2020