

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2020**

	Note	3 months ended		Cumulative 9 months ended	
		30/09/20	30/09/19	30/09/20	30/09/19
		RM'000	RM'000	RM'000	RM'000
REVENUE		14,596	15,768	40,777	42,681
COST OF SALES		(10,365)	(12,429)	(31,372)	(34,878)
GROSS PROFIT		4,231	3,339	9,405	7,803
OTHER INCOME		500	266	2,128	358
ADMINISTRATIVE EXPENSES		(3,374)	(3,710)	(10,061)	(11,102)
SELLING AND DISTRIBUTION EXPENSES		(212)	(217)	(554)	(593)
OTHER EXPENSES		(915)	(67)	(1,206)	(96)
FINANCE COST		(91)	(127)	(344)	(380)
PROFIT/(LOSS) BEFORE TAX		139	(516)	(632)	(4,010)
TAX EXPENSE	24	-	-	(63)	(42)
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		139	(516)	(695)	(4,052)
OTHER COMPREHENSIVE (LOSS)/INCOME					
Foreign currency translation difference		100	(233)	285	(277)
		100	(233)	285	(277)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD		239	(749)	(410)	(4,329)
PROFIT/(LOSS) attributable to:					
Owners of the parent		878	107	131	(2,690)
Non-controlling interests		(739)	(623)	(826)	(1,362)
		139	(516)	(695)	(4,052)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		978	(126)	416	(2,967)
Non-controlling interests		(739)	(623)	(826)	(1,362)
		239	(749)	(410)	(4,329)
Earning/(Loss) per share (sen)					
Basic	25	0.45	0.06	0.07	(1.50)
Diluted	25	0.40	0.05	0.06	##

Warrants are excluded from the diluted earnings per share calculation because their effects are anti-dilutive.

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statements.)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020**

	Note	(UNAUDITED)	(AUDITED)
		As at 30/09/2020	As at 31/12/2019
		RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		26,749	27,868
Right-of-use assets		5,035	4,426
Deferred tax assets		1,427	1,422
Trade receivables		922	1,010
		34,133	34,726
Current assets			
Inventories		667	698
Trade receivables		14,702	16,854
Other receivables		2,584	3,330
Tax recoverable		16	41
Deposits with licensed banks		523	523
Cash and bank balances		3,701	6,030
		22,193	27,476
TOTAL ASSETS		56,326	62,202
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		50,973	48,115
Accumulated losses		(2,198)	(2,329)
Other reserves		(21,973)	(22,258)
		26,802	23,528
Non-controlling interests		8,642	9,468
TOTAL EQUITY		35,444	32,996
Non-current liabilities			
Other payables		393	501
Borrowings	20	2,102	2,102
Lease liabilities		2,270	1,643
Deferred tax liabilities		155	155
		4,920	4,401
Current liabilities			
Trade payables		5,771	8,082
Other payables		5,304	10,630
Borrowings	20	1,820	3,240
Lease liabilities		3,067	2,808
Tax payable		-	45
		15,962	24,805
TOTAL LIABILITIES		20,882	29,206
TOTAL EQUITY AND LIABILITIES		56,326	62,202
Net assets per share attributable to owners of the parent (RM)		0.14	0.13

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statements.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

Cumulative year ended 30 September 2020

	Non distributable					Distributable	TOTAL ATTRIBUTABLE TO OWNERS OF THE PARENT RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	MERGER DEFICIT RM'000	WARRANT RESERVE RM'000	CURRENCY FLUCTUATION RESERVE RM'000	OTHER RESERVE RM'000				ACCUMULATED LOSSES RM'000
Balance as at 31.12.2019, as previously stated	48,115	-	(22,246)	93	3,842	(3,947)	(2,329)	23,528	9,468	32,996
Warrant conversion exercise	233	-	-	-	-	-	-	233	-	233
Private placement exercise	2,625	-	-	-	-	-	-	2,625	-	2,625
Transaction with owners:-										
Loss for the financial period	-	-	-	-	-	-	131	131	(826)	(695)
Other comprehensive gain for the financial period	-	-	-	-	285	-	-	285	-	285
Total comprehensive loss for the financial period	-	-	-	-	285	-	131	416	(826)	(410)
Balance as at 30.09.2020	50,973	-	(22,246)	93	4,127	(3,947)	(2,198)	26,802	8,642	35,444

Cumulative year ended 30 September 2019

	Non distributable					Distributable	TOTAL ATTRIBUTABLE TO OWNERS OF THE PARENT RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000	
	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	MERGER DEFICIT RM'000	WARRANT RESERVE RM'000	CURRENCY FLUCTUATION RESERVE RM'000	OTHER RESERVE RM'000				RETAINED EARNINGS/ (ACCUMULATED LOSSES) RM'000
Balance as at 31.12.2018, as previously stated	48,115	-	(22,246)	93	4,049	(3,947)	195	26,259	10,549	36,808
Effect on adopting MFRS 16	-	-	-	-	-	-	(87)	(87)	-	(87)
Adjusted balance as at 01.01.2019	48,115	-	(22,246)	93	4,049	(3,947)	108	26,172	10,549	36,721
Loss for the financial period	-	-	-	-	-	-	(2,690)	(2,690)	(1,362)	(4,052)
Other comprehensive loss for the financial period	-	-	-	-	(277)	-	-	(277)	-	(277)
Total comprehensive loss for the financial period	-	-	-	-	(277)	-	(2,690)	(2,967)	(1,362)	(4,329)
Balance as at 30.09.2019	48,115	-	(22,246)	93	3,772	(3,947)	(2,582)	23,205	9,187	32,392

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statements.)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

	9 months ended	
	30/09/2020	30/09/2019
	RM'000	RM'000
OPERATING ACTIVITIES		
Loss before tax	(632)	(4,010)
Adjustments for:		
Allowance for impairment loss on trade receivables	800	7
Bad debt written off	53	89
Depreciation of property, plant and equipment	2,495	3,517
Depreciation of right-of-use assets	2,668	2,388
Interest expenses	344	380
Interest income	(6)	(2)
Unrealised loss on foreign exchange	186	(299)
Operating profit before working capital changes	5,908	2,070
Changes in working capital:-		
Inventories	30	36
Receivables	2,181	3,639
Payables	(7,668)	(2,414)
CASH GENERATED FROM OPERATIONS	451	3,331
Tax (paid)/refunded	(92)	410
NET CASH GENERATED FROM OPERATING ACTIVITIES	359	3,741
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,399)	(1,261)
Interest received	6	2
NET CASH USED IN INVESTING ACTIVITIES	(1,393)	(1,259)
FINANCING ACTIVITIES		
Repayment of account receivables financing	(1,400)	(96)
Interest paid	(344)	(380)
Proceed from warrant conversion	233	-
Proceed from private placement	2,625	-
Repayment of lease liabilities	(2,390)	(2,356)
Repayment of term loan	(12)	(37)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	(1,288)	(2,869)
CASH AND CASH EQUIVALENTS		
Net changes	(2,322)	(387)
Brought forward	6,030	5,102
Effects of exchange translation differences on cash and cash equivalents	(7)	(40)
Carried forward	3,701	4,675

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated financial statements of MClean Technologies Berhad for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial statements.)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

1. Basis of Preparation

The Condensed Interim Financial Statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) No 134: Interim Financial Reporting and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad. This Interim Financial Statements also complied with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board (“IASB”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019. The explanatory notes attached to these condensed consolidated 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 year ended 31 December 2019.

2. Significant Accounting Policies

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those adopted for the financial year ended 31 December 2019, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the annual periods beginning on or after 1 January 2020.

- Amendments to MFRS 3, Business Combinations – Definition of a Business
- Amendments to MFRS 101, Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material
- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement and MFRS 7, Financial Instruments: Disclosures – Interest Rate Benchmark Reform
- Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above standards, amendments and annual improvement did not have any material financial impacts to the Group.

Standards issued but not yet effective

- i) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 June 2020
 - Amendment to MFRS 16, Leases – Covid-19 Related Rent Concessions
- ii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021
 - Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 - Insurance Contracts: Interest Rate Benchmark Reform-Phase 2
- iii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022
 - Amendments to MFRSs contained in the document entitled “Annual Improvements to MFRS Standards 2018-2020”
 - Amendments to MFRS 3, Business Combinations – Reference to the Conceptual Framework

2. Significant Accounting Policies (continued)

Standards issued but not yet effective (continued)

- iii) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022 (continued)
- Amendments to MFRS 116, Property, Plant and Equipment – Property, Plant and Equipment – Proceeds before Intended Use
 - Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract
- iv) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023
- MFRS 17, Insurance Contracts
 - Amendments to MFRS17, Insurance Contracts
 - Amendments to MFRS 101, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- v) MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed
- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group does not plan to apply MFRS 17, Insurance Contract that is effective for annual periods beginning on 1 January 2023 as it is not applicable to the Group. The adoption of the applicable accounting standards are not expected to have any material impacts to the financial statements of the Group up on the initial adoption.

3. Audit Report of Preceding Annual Financial Statements

The preceding year annual audited financial statements were not subject to any qualification.

4. Seasonal or Cyclical Factors

The Group's operations were not subject to any seasonal or cyclical changes.

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

Except for other income arising from Covid-19 related government grant (see note 15 and 16), there were no other item which is unusual because of its size or incidences that has affected the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter under review.

6. Material Changes in Estimates

There were no material changes in estimates for the quarter ended 30 September 2020.

7. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the current financial quarter.

8. Dividend Paid

There were no dividends declared or paid by the Group for the current quarter under review.

9. Segmental Reporting

The segmental results of the Group for the current and previous financial year-to-date under review is set out below:

Geographical information

Revenue information based on the geographical location of customers are as follows:-

Location	<u>9 Months Ended</u>	<u>9 Months Ended</u>
	30.09.2020	30.09.2019
	RM'000	RM'000
People's Republic of China	1,955	3,929
Malaysia	15,209	19,389
Singapore	34,658	28,679
Others	1,681	1,984
Inter segment	(12,726)	(11,300)
	<u>40,777</u>	<u>42,681</u>

The business of the Group is generated from the business of surface treatment, precision cleaning, clean bulkpack and related service mainly in HDD and consumer electrics industries and there is only one business segment identified by the management.

10. Valuation of Property, Plant and Equipment

The Group's property, plant and equipment were stated at cost less accumulated depreciation.

11. Material Events Subsequent to the End of the Current Financial Quarter

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

12. Changes in the Composition of the Group

Except for the strike-off of a dormant wholly owned subsidiary, Sonic Clean Pte Ltd on 23 September 2020, there were no changes in the composition of the Group during the current financial quarter under review.

13. Contingent Liabilities and Contingent Assets

(a) Contingent liabilities

The Group has secured and unsecured bank guarantee given to the Royal Malaysian Customs Department and licensed bank for credit facilities granted to a subsidiary for RM400,000 and RM837,728 respectively.

(b) Contingent assets

There were no contingent assets as at the end of current financial quarter.

14. Capital Commitment

	As at 30.09.2020 RM'000	As at 30.09.2019 RM'000
Authorised but not contracted for:- Office equipment, electrical fittings and furniture and fittings	-	69

15. Review of Performance

Comparison between Current Financial Quarter Ended 30 September 2020 and Previous Corresponding Quarter Ended 30 September 2019

A summary of the Group's performance is set out below:-

	3 Months Ended			
	30.09.2020	30.09.2019		
	Surface Treatment & Precision Cleaning RM'000	Surface Treatment & Precision Cleaning RM'000	Increase/(Decrease) RM'000	%
Revenue	14,596	15,768	(1,172)	(7.43)
Gross profit	4,231	3,339	892	26.71
Profit/(Loss) before tax	139	(516)	655	NA
Profit/(Loss) after tax	139	(516)	655	NA
Profit attributable to owners of the parent	878	107	771	720.56

Surface Treatment & Precision Cleaning Division

Revenue for the current financial quarter decreased by 7.43% as compared to the previous corresponding quarter. The decline is mainly from surface treatment services.

Precision cleaning gross profit margin increased 2.28% to 30.00% as compared to 27.72% in the previous corresponding quarter. Surface treatment gross profit margin was increased 17.45% due to more higher margin HDD sales in the current financial quarter as compared with previous corresponding quarter. Overall gross profit margin increased from 21.18% to 28.99% in the current financial quarter.

The Group's administrative expenses decreased by RM336,000 as compared to the previous corresponding quarter mainly due to cost reduction in legal & professional fee, meal & entertainment and travelling expenses.

The Group's other expenses increased by RM848,000 mainly due to the loss on foreign exchange and allowance for impairment loss on trade receivables in the current financial quarter as compared with previous corresponding quarter.

The Group's other income increased by RM234,000 as compared to the previous corresponding quarter mainly due to the Covid-19 related government grant received from Singapore subsidiary of approximately RM472,000 in the current financial quarter and government grant received related to the asset purchased approximately RM65,000 and gain on foreign exchange approximately RM111,000 in the previous corresponding quarter.

Overall, the Group reported a profit before tax of RM0.139 million in the current financial quarter as compared to a loss before tax of RM0.516 million in the previous corresponding quarter.

15. Review of Performance (continued)

Comparison between Current Period-to-date Ended 30 September 2020 and Previous Corresponding Period-to-date Ended 30 September 2019

A summary of the Group’s performance is set out below:-

	9 Months Ended		Increase/(Decrease)	
	30.09.2020	30.09.2019		
	Surface Treatment & Precision Cleaning	Surface Treatment & Precision Cleaning		
	RM’000	RM’000	RM’000	%
Revenue	40,777	42,681	(1,904)	(4.46)
Gross profit	9,405	7,803	1,602	20.53
Loss before tax	(632)	(4,010)	3,378	NA
Loss after tax	(695)	(4,052)	3,357	NA
Profit/(Loss) attributable to owners of the parent	131	(2,690)	2,821	NA

Surface Treatment & Precision Cleaning Division

Revenue for the current period-to-date decreased by 4.46% as compared to the preceding corresponding period-to-date. The decline is mainly from surface treatment services.

Overall gross profit margin increased from 18.28% to 23.06% in the current period-to-date. In the previous corresponding period-to-date, the Group had scaled down the clean bulk pack business in Chongqing China but the fixed cost still continue charged during the previous corresponding period-to-date. Surface treatment were impacted by the high rework of certain project in the previous corresponding period-to-date.

The Group’s administrative expenses decreased by RM1,041,000 as compared to the previous corresponding period-to-date mainly due to cost reduction in indirect staff salaries & benefits, legal & professional fee, depreciation & amortisation, rental expenses and entertainment & travelling expenses.

The Group’s other expenses increased by RM1,110,000 mainly due to the allowance for impairment loss on trade receivables increased by RM800,000, loss on foreign exchange increased by RM352,000 as compared with previous corresponding period-to-date.

The Group’s other income increased by RM1,770,000 as compared to the previous corresponding period-to-date mainly due to the Covid-19 related government grant received from our Singapore and Malaysia subsidiary companies approximately RM1,564,000 and insurance claimed approximately RM411,000 as compared with previous corresponding period-to-date.

Overall, the Group reported a loss before tax of RM0.632 million in the current financial period-to-date as compared to a loss before tax of RM4.010 million in the previous year corresponding period-to-date.

16. Material Changes in the Quarterly Results as Compared with the Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter		
	30.09.2020	30.06.2020		
	Surface Treatment & Precision Cleaning	Surface Treatment & Precision Cleaning	Increase/(Decrease)	
	RM'000	RM'000	RM'000	%
Revenue	14,596	12,469	2,127	17.06
Gross profit	4,231	2,270	1,961	86.39
Profit before tax	139	168	(29)	NA
Profit after tax	139	105	34	NA
Profit attributable to owners of the parent	878	306	572	NA

Surface Treatment & Precision Cleaning Division

Revenue for the current quarter increased by 17.06% as compared to the immediate preceding quarter. The increase is across all precision cleaning and surface treatment services.

Overall gross profit margin increased from 18.21% to 28.99% in the current quarter. The increase is mainly due to surface treatment operations affected by Malaysia Movement Control Order (MCO) in our Malaysia subsidiary during the immediate preceding quarter.

The Group’s administrative expenses increased by RM134,000 as compared to the immediate preceding quarter mainly due to increase in indirect staff salaries and office maintenance.

The Group’s other expenses increased by RM432,000 as compared to the immediate preceding quarter mainly due to loss on foreign exchange in the current quarter.

The Group’s other income decreased by RM1,383,000 mainly due to the Covid-19 related government grant received from our Singapore and Malaysia subsidiary companies decreased by RM620,000, insurance claimed received in immediate preceding quarter RM411,000 and gain on foreign exchange RM339,000 as compared to the immediate preceding quarter.

The Group registered a profit before tax of RM0.139 million as compared to a profit before tax of RM0.168 million in the immediate preceding quarter.

17. Future Prospects

Demand for our precision cleaning services in the Hard Disk Drive Industry (HDD) has recovered due to the increase in demand for more Enterprise drives for data storage centres. Our factory in Thailand is improving and is securing more cleanroom packaging & cleaning services starting next financial year.

Demand for surface treatment services is also recovering but at a slower rate. Meanwhile its focus is on factory costs reduction and operational efficiency.

Overall we expect the 2nd half performance to be better than the 1st half of 2020.

18. Variance of Profit Forecast and Shortfall in Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the current financial quarter.

19. Status of Corporate Proposals

Warrants 2015/2020 with exercise right expiring on 7 October 2020

Up to 30 September 2020, the total number of warrants converted into ordinary shares at RM0.25 each and the number of unexercised warrants are as follows:

Total number of warrants listed	Total number of warrants converted into ordinary shares	Total number of unexercised warrants
28,175,996	5,935,000	22,240,996

20. Group Borrowings and Debt Securities

The Group’s borrowings as at 30 September 2020 presented as follows:-

	As at 3rd quarter ended 2020					
	Long term		Short term		Total borrowings	
	Foreign denomination SGD’000	RM denomination and RM equivalent RM’000	Foreign denomination SGD’000	RM denomination and RM equivalent RM’000	Foreign denomination SGD’000	RM denomination and RM equivalent RM’000
Secured						
Term loan	-	2,102	-	55	-	2,157
Factoring loan	-	-	579	1,765	579	1,765

	As at 3rd quarter ended 2019					
	Long term		Short term		Total borrowings	
	Foreign denomination SGD’000	RM denomination and RM equivalent RM’000	Foreign denomination SGD’000	RM denomination and RM equivalent RM’000	Foreign denomination SGD’000	RM denomination and RM equivalent RM’000
Secured						
Factoring loan	-	-	1,044	3,160	1,044	3,160

The total borrowings denominated in foreign currency as at 30 September 2020 are: -

	RM’000
Foreign currency – SGD 578,913 @ RM3.0488/SGD	<u>1,765</u>

The factoring loan is charged at an effective interest rate of approximately 3.25% per annum. The term loan is charged at an effective interest rate of 4.40% per annum.

21. Off Balance Sheet Financial Instruments

As at 30 September 2020, the Group is a party to a foreign currency forward contract to sell USD200,000 at the rate of 1.3705. Had the contract been settled at the financial position date, the net effect on the exchange exposure is an increase in the loss of RM8,171.

22. Material Litigation

There was no pending material litigation from 1 January 2020 up to the date of this quarterly announcement.

23. Dividend Payable

There was no dividend payable or proposed during the current quarter ended 30 September 2020.

24. Tax (Income)/Expense

Details of taxation are as follows: -

	3 Months Ended		9 Months Ended	
	30.09.2020 RM'000	30.09.2019 RM'000	30.09.2020 RM'000	30.09.2019 RM'000
Current taxation	-	-	-	22
Under provision in prior year	-	-	63	20
	-	-	63	42
Effective tax rate	0%	0%	8%	1%
Statutory tax rate	24%	24%	24%	24%
Variance	24%	24%	16%	23%

The effective tax rate is not reflective of the statutory tax rate principally due to the restriction in the group relief available in respect of losses incurred by certain subsidiary companies and expenses which were not deductible for tax purposes.

25. Earnings/Loss Per Share (“EPS/LPS”)

The calculation of the earnings/loss per share is based on the net profit/(loss) divided by the weighted average number of ordinary shares.

	3 Months Ended		Cumulative 9 Months Ended	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Net profit/(loss) for the period attributable to owners of the parent (RM'000)	878	107	131	(2,690)
Weighted average number of ordinary shares in issue ('000)*	197,213	197,213	195,811	195,811@
Basic earning/(loss) per share (sen)	0.45	0.05	0.07	(1.37)

@ Adjusted for 17,500,000 ordinary shares issued under the private placement and 935,000 warrants exercised in order to be comparable with the current period's presentation.

25. Earnings/Loss Per Share (“EPS/LPS”) (continued)

	3 Months Ended		Cumulative 9 Months Ended	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Net profit/(loss) for the period attributable to owners of the parent (RM'000)	878	107	131	(2,690)
Weighted average number of ordinary shares in issue ('000)	197,213	178,778#	195,811*	178,778#
Basic earning/(loss) per share (sen)	0.45	0.06	0.07	(1.50)

* Adjusted for 17,500,000 ordinary shares issued under the private placement and 935,000 warrants exercised in order to be comparable with the current period's presentation.

Comparative figures were based on quarterly announcement made for the 9 months period ended 30 September 2019.

26. Notes to the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit/(Loss) before tax is arrived at after charging/(crediting) the following items:-

	3 Months Ended 30 September 2020 RM'000	9 Months Ended 30 September 2020 RM'000
(a) Interest income	-	(6)
(b) Other income including investment income	(500)	(2,122)
(c) Interest expenses	91	344
(d) Depreciation and amortisation	1,729	5,163
(e) Bad debts written off	-	53
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	400	800
(i) Foreign exchange loss/(gain)	545	352
(j) Gain or loss on derivatives	-	-
(k) Exceptional items	-	-

- End -