

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

	----- Individual Quarter ----		----- Cumulative Quarter -----	
	Current Quarter Ended 30 April 2020 RM'000	*Preceding Corresponding Quarter Ended 30 April 2019 RM'000	(Unaudited) 9 months to date ended 30 April 2020 RM'000	(Unaudited) *Preceding corresponding 9 months Period Ended 30 April 2019 RM'000
Revenue	554	425	1511	1274
Cost of Sales	(10)	(2)	(10)	(6)
Gross Profit/(Loss)	544	423	1501	1268
Other income /(loss)	2	0	2	0
Administrative expenses	(626)	(349)	(1494)	(1105)
Selling and distribution expenses	0	0	0	0
Other expenses	0	0	0	0
Operating Profit/(Loss)	(80)	74	9	163
Finance cost	0	0	0	0
<b>Profit/(Loss) Before Taxation</b>	(80)	74	9	163
Taxation	0	0	0	0
<b>Net Profit/(Loss) After Taxation</b>	(80)	74	9	163
Other comprehensive loss, net of tax - Foreign currency translation on foreign entity	0	0	0	0
<b>Total comprehensive income/(loss)</b>	(80)	74	9	163
<b>Net Profit/(Loss) attributable to :</b>				
- Owners of the Company	(51)	74	104	163
- Non-controlling interests	(29)	0	(95)	0
<b>Net Profit/(Loss)</b>	(80)	74	9	163
<b>Total comprehensive income/(loss) attributable to :</b>				
- Owners of the Company	(51)	74	104	163
- Non-controlling interests	(29)	0	(95)	0
<b>Total comprehensive income/(loss)</b>	(80)	74	9	163

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020 (CON'T)**

	----- Individual Quarter -----		----- Cumulative Quarter -----	
	Current Quarter Ended	Preceding Period Corresponding Quarter Ended	(Unaudited) 9 months to date ended	(Unaudited) Preceding corresponding 9 months Period Ended
	30 April 2020	30 April 2019	30 April 2020	30 April 2019
Weighted average no. of ordinary shares in issue ('000)	176,691	148,901	176,691	148,901
Weighted average no. of ordinary shares in issue adjusted for the effect of dilutive potential ordinary shares('000)	176,691	148,901	176,691	148,901
<b>Earnings/(loss) per ordinary share (sen):</b>				
Basic earnings/(loss) per share (sen)	(0.01)	0.05	0.06	0.11
Diluted earnings/(loss) per share (sen)	(0.01)	0.05	0.06	0.11

## Notes:

- (i) Basic earnings/(loss) per share for the quarter and financial period is calculated based on the net loss divided by the weighted average number of ordinary shares for the quarter and year-to-date respectively.
- (ii) Diluted earnings/(loss) per share for the quarter and financial period is calculated based on the net profit/(loss) divided by the weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares. No diluted earnings/(loss) per share is disclosed as all potential ordinary shares are anti-dilutive.
- (iii) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial period ended ("FPE") 31 July 2019 and the accompanying notes attached to this interim financial report.
- (iv) The loss before taxation is arrived at after charging/ (crediting) the following items:-

	Current Quarter Ended	9 months to date ended
	30 April 2020 RM'000	30 April 2020 RM'000
(a) Depreciation and amortisation	14	41
(b) Gain/(loss) on disposal of property, plant & equipment	0	0

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 APRIL 2020**

	(Unaudited) As at 30 April 2020 RM'000	(Audited) As at 31 July 2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	184	129
Purchased Goodwill	2,785	0
Other receivables, deposit and prepayment	4,944	4,944
	7,913	5,073
<b>Current assets</b>		
Trade receivables	3,402	3,624
Other receivables, deposits and prepayment	9,167	5,152
Amount owing by an associate	380	405
Tax recoverable	1	1
Cash and bank balances	15	47
	12,965	9,229
<b>Total Assets</b>	<b>20,878</b>	<b>14,302</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Equity Holders of the Company</b>		
Share capital	23,655	17,385
Accumulated profit	(5,748)	(5,849)
Shareholders' funds	17,907	11,536
Non-controlling interests	(85)	(0)
<b>Total Equity</b>	<b>17,822</b>	<b>11,536</b>
<b>Current liabilities</b>		
Trade Payables	127	141
Other payables and accruals	2,929	2,625
<b>Total liabilities</b>	<b>3,056</b>	<b>2,766</b>
<b>Total equity and liabilities</b>	<b>20,878</b>	<b>14,302</b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.10	0.08

## Notes:

- (i) The net asset per share for the quarter under review and financial period is calculated based on the net asset as at 30 April 2020 divided by the number of outstanding ordinary shares as at 30 April 2020.
- (ii) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the FPE 31 July 2019 and the accompanying notes attached to this interim financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

	<b>9 months to date 30 April 2020 RM'000</b>	<b>Audited 12 months Year Ended 31 July 2019 RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Taxation	9	(1,775)
Adjustment for prior year retained profits	(3)	0
Adjustment / loss on acquiring subsidiary	25	2
Adjustments for Non-cash items / Depreciation	41	67
Operating profit/(loss) before working capital changes	<u>72</u>	<u>(1,706)</u>
Changes in working capital		
Net change in inventories	-	0
Net change in trade and other receivables	(3,768)	107
Net change in trade and other payables	290	1,010
Net cash flows from operations	<u>(3,406)</u>	<u>(589)</u>
Tax paid / refund	-	-
Net cash flows from operating activities	<u>(3,406)</u>	<u>(589)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Change in investment in jointly controlled entity	-	-
Product development costs incurred	-	-
Purchase of intangible assets	-	-
Purchase of property, plant and equipment	(96)	-
Proceeds from disposal of property, plant and equipment	-	-
Cash proceed of disposal of subsidiary company	-	-
Net cash flows from investing activities	<u>(96)</u>	<u>0</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Advance to related company	0	0
Net proceeds from issuance of shares	6,270	615
Net purchase of subsidiary	(2,800)	0
Net cash flows from financing activities	<u>3,470</u>	<u>615</u>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>(32)</b>	<b>26</b>
Effects of Foreign Exchange Translation	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>47</b>	<b>21</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b><u>15</u></b>	<b><u>47</u></b>
Cash and cash equivalents at end of the financial period comprise the following:		
Cash and bank balances	15	47
Fixed deposits placed with licensed banks	-	-
	<u>15</u>	<u>47</u>

**Note:**

The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements of the Group for the FPE 31 July 2019 and the accompanying notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020

	Attributable to owners of the Company							Total equity RM'000
	Non-distributable			Distributable				
	Share Capital RM'000	Share Premium RM'000	Foreign Exchange Fluctuation Reserve RM'000	Employee Share Option Reserve RM'000	Accumulated Losses RM'000	Shareholders' Fund RM'000	Non- controlling Interest RM'000	
Balance as at 1 August 2019	17,385	-	-	-	(5,849)	11,536	-	11,536
Total comprehensive profit	-	-	-	-	104	104	(85)	19
Prior Year Adjustment	-	-	-	-	(3)	(3)	-	(3)
	-	-	-	-	(5,748)	11,637	(85)	11,552
<b>Transactions with owners:</b>								
Share issuance	6,270	-	-	-	-	6,270	-	6,270
<b>Total Transaction with owner</b>	<b>6,270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,270</b>	<b>-</b>	<b>6,270</b>
Balance as at 30 April 2020	23,655	-	-	-	(5,748)	17,907	(85)	17,822

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020 (CONT'D)

As at financial year ended 31 July 2019

	← Attributable to owners of the Company →							Total equity RM'000
	← Non-distributable →			Distributable				
	Share Capital RM'000	Share Premium RM'000	Foreign Exchange Fluctuation Reserve RM'000	Employee Share Option Reserve RM'000	Accumulated Losses RM'000	Shareholders' Fund RM'000	Non- controlling Interest RM'000	
At 1 August 2018	16,770	-	-	-	(4,073)	12,697	(2)	12,695
Net loss for the financial period	-	-	-	-	(1,774)	(1,774)		(1,774)
Other Comprehensive expenses	-	-	-	-	(2)	(2)	2	0
Foreign currency translation	-	-	-	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	-	-	(1,776)	(1,776)	-	(1,774)
					(5,849)	10,921	(0)	10,921
<b>Transactions with owners:</b>								
Acquisition of subsidiary	-	-	-	-	-	-	0.05	0.05
Issuance of share capital	615	-	-	-	-	615		615
	615	-	-	-	-	615	0.05	615
At 31 July 2019	17,385	-	-	-	(5,849)	11,536		11,536

Note:

- (i) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the FPE 31 July 2019 and the accompanying notes attached to this interim financial report.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020****A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134****A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 July 2019 and the accompanying explanatory notes attached to the interim financial report.

The Group has also adopted all Amendments/Improvements to MFRSs that are relevant and effective for accounting periods beginning on or after 1 August 2015. The adoption of these Amendments/Improvements to MFRSs has not resulted in any material impact on the financial statements of the Group.

**A2. Auditors’ Report of preceding period financial statements**

The auditor report on financial statements for the year ended 31 July 2019 of the Group were no qualified by external auditor.

**A3. Seasonal or cyclical factors**

The Group’s operations are not materially affected by seasonal and/or cyclical factors.

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

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

**A5. Material changes in estimates**

There were no material changes in estimates in the quarter under review and financial year-to-date.

**A6. Debts and equity securities**

There were no issue of debts and equity securities for the quarter under review.

**A7. Dividends**

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

**A8. Segmental Information**

The Group has only one reportable segment, which is principally engaged in the distribution, research, design and deployment of the radio frequency identification (RFID) tag and operates predominantly in one country, that is, Malaysia. Accordingly, information by operating and geographical segments on the Group’s operations as required by MFRS 8 is not presented.

Further information on the Group’s revenue is discussed in Section B1.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134 (CONT’D)**

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

The Company has not carried out valuation on its property, plant and equipment in the current financial quarter under review. However, the Company may carry out valuation for certain plant and equipment to ascertain their fair value.

**A10. Capital commitments**

There were no material capital commitments in respect of property, plant and equipment as at the current financial quarter under review.

**A11. Other commitments**

There were no material other commitments as at the current financial quarter under review.

**A12. Changes in the composition of the Group**

There were no changes in composition of the Group during the quarter under review.

**A13. Contingent assets or liabilities**

Save as disclosed in the quarterly reports, the Directors are of the opinion that the Group has no other contingent liabilities which, upon crystallisation would have material impact on the financial position and business performance of the Group as at reporting date.

**A14. Material events pending completion**

On 10 March 2016, the Company announced that it has entered into a joint venture agreement with Cherish Words Sdn. Bhd to participate in a joint venture agreement (JVA) to undertake sub-contracting works for the design and build of a proposed housing scheme for a statutory body. As at the report date, the Company has provided working capital and advances to CWSB in total of RM5,000,000. The JVA were terminated on 28 July 2017 by mutual consent, and the outstanding amount of approximately RM4.9 million will be settled via contra of properties. The Company obtained 10 properties in exchange for the settlement

**A15. Material events subsequent to the end of the quarter**

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



**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of the performance of the Group**

For the quarter ended 30 April 2020, the Group recorded revenue of 0.554 million compared to RM0.425 million in the preceding year corresponding quarter.

The Group recorded a loss before taxation of RM0.08 million for the quarter ended 30 April 2020 as compared to a profit before taxation of RM0.074 million registered in the preceding year corresponding quarter.

**B2. Comparison to the Results of the Preceding Quarter**

	<b>Current Quarter Ended</b>  <b>30 April 2020</b>  <b>RM'000</b>	<b>Preceding Quarter</b> <b>Ended</b>  <b>31 January 2020</b>  <b>RM'000</b>
Revenue	554	552
Profit/(Loss) before tax	(80)	(80)

**B3. Prospects**

The Group will be focusing on its new potential track and traceability software solution systems. In this respect, the Group strives to team-up with other overseas companies to explore the market opportunities for Logistics Information Platforms both locally and overseas, which will augur well for the Group and the Company in the near future. In the same time, the Group is exploring vibrant opportunities presented in the civil engineering and construction projects as well as food chain business.

In view of the uncertain domestic economic conditions, the Group is anticipating a challenging year ahead and will continue its efforts to diversify in various lucrative and sustainable businesses in order to boost the Group's revenue base and income streams.

**B4. Profit forecast and profit guarantee**

The Group did not issue any profit forecast or profit guarantee for the current quarter under review or in any public documents.

**B5. Taxation**

	<b>Current Quarter Ended</b>  <b>30 April 2020</b>  <b>RM'000</b>	<b>Cumulative 9 Months</b> <b>Period Ended</b> <b>30 April 2020</b>  <b>RM'000</b>
Current tax expense	-	-

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

Non-pioneer business

There is no tax expense for the current quarter and current year to date as the Group and the Company incurred business losses and have no chargeable income.

**B6. Status of Corporate Proposal**

The Company has proposed to undertake a private placement of up to 53,007,100 new SMTrack shares ("Placement Shares"), representing approximately 30% of the existing number of issued shares of SMTrack (excluding treasury shares, if any).

Bursa Securities had, vide its letter dated 19 June 2020, approved the listing and quotation for up to 53,007,100 new SMTrack Shares to be issued pursuant to Proposed Private Placement.

**B7. Group borrowings and debt securities**

As at the report date, the Group does not have any borrowings and debt securities.

**B8. Off balance sheet financial instruments**

As at the report date, the Group does not have any off-balance sheet financial instruments.

**B9. Material Litigations**

**(i) Shah Alam Magistrate Court: Summon No: BA –A72NCC- 124-01/2017  
SMTrack Berhad ("the Company") vs Observision Sdn Bhd ("OBS")**

The Company claimed against OBS for RM 86,084.57 being payment for the goods supplied by the Company to OBS. The Company succeeded in the application for Summary Judgement but OBS was dissatisfied and filed two appeals to the Shah Alam High Court.

***Shah Alam High Court:***

***Appeal No: BA-11ANCC-18-10-2017***

***Appeal No: BA-11ANCC-17-10/2017***

**Observision Sdn Bhd ("OBS") vs SMTrack Berhad ("the Company")**

The appeal was justified, the court had ordered for full trial at the Magistrate's Court.

The trial was concluded on 11 April 2019 and decision was given on the same date whereas the company's claim was allowed by the Court for the amount of RM 86,084.57.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA  
SECURITIES (CONT'D)**

**B9. Material Litigations (Cont'd)**

***Shah Alam High Court:***

***Appeal No: BA-11BNCC-3-05/2019***

**Observision Sdn Bhd (“OBS”) vs SMTrack Berhad (“the Company”)**

Dissatisfied with the decision, OBS filed an appeal at Shah Alam High Court. The appeal was fixed for Case Management on 26<sup>th</sup> June 2019. Further to Case Management on 22<sup>nd</sup> October 2019, OBS was required to file Additional Record of Appeal.

On 22<sup>nd</sup> October 2019, the matter was fixed for decision/clarification on 20<sup>th</sup> December 2019. We have filed the submission against the appeal and now waiting for the Appellant’s (OBS) submission for us to reply.

***(ii) Sepang Session Court: Summon No: BK-A52NCVC-04-02/2017***

***Shah Alam High Court:***

***Appeal No: BA12ANVC – 187-12/2017***

***Appeal No: BA-12ANVC – 188-12/2017***

**SMTrack Berhad (“the Company”) vs Observision Sdn Bhd (“OBS”)**

The Company claimed against OBS for RM 461,385.29 being payment for the goods supplied by the Company to the OBS. The Company filed an application for summary judgement. Both parties had filed submission.

In the summary, the Company had succeeded in getting a judgment against OBS for RM466,385.29. OBS had appealed to the Shah Alam High Court for dissatisfaction with the judgment against RM466,385.29.

The Court allowed the appeal and the matter was returned back to Session Court for full trial.

On 26<sup>th</sup> December 2019, during the Case Management, the matter was fixed for trial on 16<sup>th</sup> March 2020.

However, due to the Covid-19 pandemic, the matter was postponed. The Court now have fixed the next Case Management on 9<sup>th</sup> July 2020.

***(iii) Kuala Lumpur High Court: Writ Summon: WA-22NCVC-39-01/2018***

**Observision Sdn Bhd (“OBS”) vs SMTrack Berhad (“the Company”)**

OBS claimed that the Company has breach the contract terms and claimed for special damages and liquidated damages of RM 493,540.00 and RM 9,950,000.00.

This case was fixed for trial on 18<sup>th</sup> & 19<sup>th</sup> October 2018. Thereafter the company filed in the written submission.

On 21<sup>st</sup> January 2019, the judgement was delivered by the Honourable Judge Dato Zaki whereas the court has dismissed OBS’s claim and awarded RM 10,000.00 as cost to SMTRACK. OBS dissatisfied with the decision and filed an appeal at the Court of Appeal Malaysia, Putrajaya by appeal number W-02(NCVC)(W)-244-02/2019.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA  
SECURITIES (CONT'D)**

**B9. Material Litigations (Cont'd)**

*Court Of Appeal Malaysia, Putrajaya*

*Appeal No: W-02(NCVC)(W)-244-02/2019*

**Observision Sdn Bhd (“OBS”) vs SMTrack Berhad (“the Company”)**

The court fixed a Case Management date on 4<sup>th</sup> July 2019. On 4<sup>th</sup> July 2019, it was fixed for further Case Management on 28<sup>th</sup> August 2019.

On 28<sup>th</sup> August 2019, The Court fixed a Case Management date on 09<sup>th</sup> October 2019. Awaiting the Ground of Judgment from the High Court.

On 9<sup>th</sup> October 2019, the Court fixed the appeal for further Case Management on 25<sup>th</sup> November 2019. It is still pending the Ground of Judgment from the High Court.

On 25<sup>th</sup> November 2019, the Court fixed the appeal for further Case Management on 30<sup>th</sup> January 2020. It is still pending the Ground of Judgment from the High Court.

On 30<sup>th</sup> January 2020, the Court fixed the appeal for further Case Management on 17<sup>th</sup> February 2020. It is still pending the Ground of Judgment from the High Court.

On 17<sup>th</sup> February 2020, the Court fixed the appeal for further Case Management on 9<sup>th</sup> April 2020. It is still pending the Ground of Judgment from the High Court.

On 9<sup>th</sup> April 2020, the court fixed the appeal for further case management on 23<sup>rd</sup> June 2020. it is still pending the ground of judgment from the high court.

**(iv) *Sepang Session Court Suit No: BK52-A52-04-04/2018*  
SMTrack Berhad (“the Company”) vs Observision Sdn Bhd (“OBS”)**

The cause of action is breach of sales of goods contract. OBS failed to pay the amount of goods that the Company have supplied and delivered. The amount of claim is RM 152,731.84.

The Company filed an application for Summary Judgement under Order 14 Rule 1 of the High Court Rules 2012. Up to date, the Defendant failed to serve an Affidavit In Reply to the Company’s application. Thus, the Company sought the Court for an Order In Term in the Company’s submission. The submission was filed on 22<sup>nd</sup> October 2018 and decision was fixed on 8<sup>th</sup> November 2018.

The Company had succeeded in the Summary of Judgment with the amount claimed on 23 January 2019 but OBS made an appeal to Shah Alam High Court (Suit No: BA-12A-95-12/2018).

On 8<sup>th</sup> August 2019, we went for the Hearing of Appeal. The Court fixed for a decision date on 01<sup>st</sup> October 2019.

On 1<sup>st</sup> October 2019, the High Court dismissed the appeal by OBS with cost of RM 5,000.00. OBS dissatisfied with the High Court Decision and filed a Notice of Motion to appeal to the Court of Appeal.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA  
SECURITIES (CONT'D)**

**B9. Material Litigations (Cont'd)**

***Sepang Session Court Suit No: BK52-A52-04-04/2018***  
**SMTrack Berhad ("the Company") vs Observision Sdn Bhd ("OBS")**

**Notice of Motion to Appeal B-08-392-10/2019**  
**Court of Appeal: Observision Sdn Bhd ("OBS") as Applicant.**  
We have filed our reply against the affidavit in support for Notis Usul.

The Case Management is fixed for hearing of motion on 14<sup>th</sup> October 2020.

**(v) *Sepang Session Court Suit No: BK-S1-A52-07-05/2018***  
**SMTrack Berhad ("the Company") vs Lor Ching Peng ("LCP")**

The Company has filed a new case against an ex-employee of the Company, the cause of action is breached of contract whereby LCP has breached his contract term when he terminated the contract six (6) months earlier.

**(vi) *Sepang Session Court Suit No: BK-S1-A52-07-05/2018***  
**SMTrack Berhad ("the Company") vs Lor Ching Peng ("LCP")**

LCP should report to work despite giving six (6) months' notice, but there has not been any amount since the trial has not been conducted. The total amount of the claim is RM 102,000.00.

The court fixed the trial date on 19<sup>th</sup> November 2018. However, it was postponed by the court. The court had fixed the Case for Trial on 26<sup>th</sup> December 2019.

On 26<sup>th</sup> December 2019, the trial was postponed until 23<sup>rd</sup> March 2020. However due to the Covid-19 pandemic, the matter is postponed. Now the Court have fixed the next case management on 13<sup>th</sup> July 2020.

**(vii) *Kuala Lumpur High Court Suit No. WA-28NCC-135-02/2019***  
**SMTrack Berhad ("the Company") vs Lor Ching Peng ("LCP")**

All affidavits have been exhausted and parties has filed in the submission for this case. It was fixed for Hearing of Petition on 17<sup>th</sup> June 2020. During the Hearing, the Court has directed parties to filed in Submission in Reply on 24/06/2020 and fixed the case for Hearing on 8<sup>th</sup> July 2020.

**(viii) *Notice Section 466 (1) (a) Companies Act 2016***  
**SMTrack Berhad ("the Company") vs Observision Sdn Bhd ("OBS")**

We have initiated a winding up procedure against OBS based on judgement dated 08/11/2018 [Sepang Session Court Suit No: BK52-A52-04-04/2018]

We already sent the notice on 24<sup>th</sup> October 2019.

We will start filing the winding up of OBS by December 2019.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

**B10. Dividends**

The Board of Directors does not recommend any dividends for the current financial quarter under review.

**B11. Earnings / (loss) per share**

**a) Basic earnings/ (loss) per share**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 April 2020	Preceding Corresponding Quarter Ended 30 April 2019	9 Months to date ended 30 April 2020	Preceding 9 Months Corresponding Period To date ended 30 April 2019
Net profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	(51)	74	104	163
Weighted average number of ordinary shares in issue ('000)	176,691	148,901	176,691	148,901
<b>Basic earnings/(loss) per share (sen)</b>	<b>(0.01)</b>	<b>0.05</b>	<b>0.06</b>	<b>0.11</b>

**B11. Earnings / (loss) per share (Cont'd)**

**b) Diluted earnings/ (loss) per share**

No diluted earnings/ (loss) per share is disclosed as all potential ordinary shares are anti-dilutive.

**B12. Disclosure of realised and unrealised profits or losses**

	As at 30 April 2020 RM'000	As at 30 April 2019 RM'000
Total accumulated profit / (losses) of the Company and its subsidiaries		
- Realised	(5,748)	(3,908)
- Unrealised	-	-
	(5,748)	(3,908)
Total share of accumulated profit/(losses) of a jointly controlled entity		
- Realised	-	-
- Unrealised	-	-
	(5,748)	(3,908)
Add: Consolidation adjustments	-	-
<b>Total Accumulated profit / (losses)</b>	<b>(5,748)</b>	<b>(3,908)</b>

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 APRIL 2020**

**B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA  
SECURITIES (CONT'D)**

**B13. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 23rd June 2020.

**SMTRACK BERHAD**  
23<sup>rd</sup> June 2020  
BY ORDER OF THE BOARD