



CRG INCORPORATED BERHAD

Registration No. 200901037127 (880257-A)

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

HALF YEARLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY CRG INCORPORATED BERHAD ("CRG" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

CRG INCORPORATED BERHAD

Registration No. 200901037127 (880257-A)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2020 ⁽¹⁾

	Individual 6 months ended		Cumulative 12 months ended	
	30.06.2020 RM'000	30.06.2019 RM'000	30.06.2020 RM'000	30.06.2019 RM'000
Revenue	29,558	64,799	80,613	122,498
Cost of sales	(12,654)	(33,136)	(36,935)	(63,235)
Gross profit	16,904	31,663	43,678	59,263
Other operating income	2,193	711	2,882	945
Selling and distribution expenses	(10,818)	(15,126)	(24,075)	(30,183)
General and administrative expenses	(7,114)	(11,087)	(16,310)	(20,910)
Profit from operations	1,165	6,161	6,175	9,115
Finance costs	(384)	(256)	(887)	(619)
Profit before taxation	781	5,905	5,288	8,496
Taxation	(569)	(2,464)	(2,287)	(4,156)
Profit after taxation	212	3,441	3,001	4,340
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit and loss				
Gain on revaluation of a property upon transfer from property, plant and equipment to investment property	806	-	806	-
Foreign currency translations	(55)	5	(43)	52
Total other comprehensive income, net of tax	751	5	763	52
Total comprehensive income	963	3,446	3,764	4,392
Profit attributable to owner of the parent	212	3,441	3,001	4,340
Total comprehensive income attributable to owner of the parent	963	3,446	3,764	4,392
Earnings per share attributable to owner of the parent (Sen)				
- Basic	0.03	0.43	0.37	0.54

Note:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Audited Financial Statement of the Group for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020 ⁽¹⁾

	Unaudited as at 30.06.2020 RM'000	Audited as at 30.6.2019 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	24,247	31,128
Right-of-use assets	11,869	-
Investment property	4,800	-
Goodwill	20	20
Deferred tax assets	1,164	700
Total non-current assets	42,100	31,848
CURRENT ASSETS		
Inventories	9,624	14,881
Trade and other receivables	9,359	18,070
Current tax assets	127	137
Cash and bank balances	43,617	30,865
Short term funds	5,603	-
Total current assets	68,330	63,953
TOTAL ASSETS	110,430	95,801
EQUITY		
Share capital	68,000	68,000
Reserves	4,170	4,800
Total equity	72,170	72,800
NON-CURRENT LIABILITIES		
Borrowings	12,958	14,581
Provision for restoration costs	484	464
Deferred tax liabilities	69	15
Lease liabilities	7,956	-
Total non-current liabilities	21,467	15,060
CURRENT LIABILITIES		
Trade and other payables	9,403	5,656
Borrowings	960	844
Lease liabilities	5,384	-
Provision for restoration costs	296	167
Current tax liabilities	750	1,274
Total current liabilities	16,793	7,941
Total liabilities	38,260	23,001
TOTAL EQUITY AND LIABILITIES	110,430	95,801
Net assets per share (RM)	0.0896	0.0904

Note:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 ⁽¹⁾

	←	Non-distributable		→	
	Share capital	Exchange translation reserve	Revaluation reserve	Distributable retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 July 2019 (as previously reported)	68,000	(199)	-	4,999	72,800
Effects of adoption of MFRS 16	-	-	-	(366)	(366)
As at 1 July 2019 (as restated)	68,000	(199)	-	4,633	72,434
Profit for the financial year	-	-	-	3,001	3,001
Gain on revaluation of a property upon transfer from property, plant and equipment to investment property	-	-	806	-	806
Foreign currency translation, net of tax	-	(43)	-	-	(43)
Total comprehensive income for the financial year	-	(43)	806	3,001	3,764
Transaction with owner					
Dividends paid	-	-	-	(4,028)	(4,028)
Transaction with owner	-	-	-	(4,028)	(4,028)
As at 30 June 2020	68,000	(242)	806	3,606	72,170

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 ⁽¹⁾ (Cont'd)

	← Non-distributable →			Distributable retained earnings RM'000	Total equity RM'000
	Share capital	Exchange translation reserve	Revaluation reserve		
	RM'000	RM'000	RM'000		
As at 1 July 2018 (as previously reported)	68,000	(251)	-	3,774	71,523
Effects of adoption of MFRS 9	-	-	-	(3,115)	(3,115)
As at 1 July 2018 (as restated)	68,000	(251)	-	659	68,408
Profit for the financial year	-	-	-	4,340	4,340
Foreign currency translation, net of tax	-	52	-	-	52
Total comprehensive income for the financial year	-	52	-	4,340	4,392
As at 30 June 2019	68,000	(199)	-	4,999	72,800

Note:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 ⁽¹⁾

	12 months ended 30.06.2020 RM'000	12 months ended 30.06.2019 RM'000
Cash flows from operating activities		
Profit before tax	5,288	8,496
Adjustments for:		
Amortisation of right-of-use assets	7,167	-
Depreciation of property, plant and equipment	2,658	3,152
Fair value loss on short term funds	23	-
Loss/ (Gain) on disposal of property, plant and equipment	11	(64)
Impairment losses on:		
- trade and other receivables	96	3,093
- property, plant and equipment	-	822
- right-of-use assets	1,044	-
Interest expenses	130	600
Interest income	(630)	(253)
Lease interest expenses	729	-
Property, plant and equipment written off	32	290
Reversal of impairment losses on trade receivables	(440)	(342)
Unrealised loss on foreign exchange, net	126	-
Unwinding of discount on provision for restoration costs	28	19
Operating profit before changes in working capital	16,262	15,813
Changes in working capital:		
Inventories	5,257	4,381
Trade and other receivables	8,936	3,627
Trade and other payables	3,747	(2,164)
Cash generated from operations	34,202	21,657
Tax paid	(3,265)	(3,375)
Tax refunded	92	1,406
Net cash generated from operating activities	31,029	19,688
Cash flows from investing activities		
Repayment to a former related company ⁽²⁾	-	(12)
Interest received	630	253
Proceeds from disposal of property, plant and equipment	12	68
Purchase of property, plant and equipment	(381)	(2,519)
Placement of short term funds	(5,627)	-
Net cash used in investing activities	(5,366)	(2,210)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 ⁽¹⁾ (cont'd)

	12 months ended 30.06.2020 RM'000	12 months ended 30.06.2019 RM'000
Cash flows from financing activities		
Interest paid	(130)	(600)
Dividends paid	(4,028)	-
Repayment of bankers' acceptance	-	(639)
Repayment of term loans	(1,153)	(887)
Drawdowns of term loans	47	47
Repayment of lease liabilities	(7,595)	-
Net cash used in financing activities	<u>(12,859)</u>	<u>(2,079)</u>
Net increase in cash and cash equivalents	12,804	15,399
Effects of exchange rate changes on cash and cash equivalents	(52)	36
Cash and cash equivalents at beginning of financial year	30,865	15,430
Cash and cash equivalents at end of financial year	<u>43,617</u>	<u>30,865</u>

Notes:

⁽¹⁾ The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are detailed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.

⁽²⁾ "former related company" refers to a subsidiary of Bonia Corporation Berhad ("Bonia") that was related to the Group prior to its demerger from Bonia.

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A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE SECOND HALF-YEAR ENDED 30 JUNE 2020**A1. Basis of Preparation**

The interim financial statements of CRG and its subsidiaries (the “Group”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting. This is the interim financial report on the consolidated results for the second half-year ended 30 June 2020 announced by the Company in compliance with the LEAP Market Listing Requirements of Bursa Securities.

This report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 30 June 2019. The explanatory notes attached to this report provide an explanation of events and transactions that are significant to the understanding of changes in the financial position and performance of the Group since the financial year ended 30 June 2019.

A2. Accounting Policies

The significant accounting policies adopted by the Group in this report are consistent with those adopted in the Audited Financial Statements of the Group for the financial year ended 30 June 2019 except for the adoption of the following new accounting standards and amendments and interpretation:-

A2.1 Adoption of MFRS and amendments effective for financial periods beginning on or after 1 January 2019

Title	Effective Date
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015-2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 – 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendment to MFRS 16 <i>Covid-19-Related Rent Concessions</i>	1 June 2020 (early adopted)

The adoption of the above accounting standards, amendments and interpretation has no significant impact on the financial statements of the Group except as mentioned below:

A2. Accounting Policies (cont'd)

A2.1 Adoption of MFRS and amendments effective for financial periods beginning on or after 1 January 2019 (cont'd)

(a) MFRS 16 Leases

MFRS 16 supersedes MFRS 117 *Leases*, IC Interpretation 4 *Determining whether an Arrangement contains a Lease*, IC Interpretation 115 *Operating Lease-Incentives* and IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the financial statements. The standard requires the lessee to recognise the right-of-use of the underlying lease asset and future lease payments liabilities in the statements of financial position. The lessor accounting under MFRS 16 is substantially the same as the accounting under the MFRS 117. Lessor continues to classify leases as either operating or finance lease.

The right-of-use assets are initially measured at cost, and subsequently at cost less accumulated depreciation, any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payment discounted using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Group's incremental borrowing rate as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability, decreased by lease payment made and re-measured the carrying amount to reflect any reassessment or lease modification.

The Group has elected to adopt the cumulative effect method. The cumulative effect of initial application of this standard is adjusted to the opening balances of retained earnings as at 1 July 2019.

The financial effects arising from the initial adoption of MFRS 16 are as follows :-

	As previously reported as at 1 July 2019	Effects of adoption of MFRS 16	Restated as at 1 July 2019
	RM'000	RM'000	RM'000
Condensed Consolidated Statements of Financial Position			
<u>Non-Current Assets</u>			
Property, plant and equipment	31,128	(603)	30,525
Right-to-use assets	-	19,565	19,565
Deferred tax assets	700	86	786
Impact to non-current assets	31,828	19,048	50,876
<u>Non-Current Liabilities</u>			
Lease liabilities	-	13,340	13,340
Provision for restoration costs	464	300	764
Borrowings	14,581	(327)	14,254
Impact to non-current liabilities	15,045	13,313	28,358
<u>Current Liabilities</u>			
Lease liabilities	-	6,286	6,286
Provision for restoration costs	167	(112)	55
Borrowings	844	(73)	771
Impact to current liabilities	1,011	6,101	7,112
<u>Equity</u>			
Retained earnings	4,999	(366)	4,633
Impact to equity	4,999	(366)	4,633

A2. Accounting Policies (cont'd)

A2.1 Adoption of MFRS and amendments effective for financial periods beginning on or after 1 January 2019 (cont'd)

(b) Amendment to MFRS 16 Covid-19-Related Rent Concessions

MFRS 16 has been amended to:

- (i) Provide lessees with an exemption from the requirement to determine whether a Covid-19-related rent concession is a lease modification; and
- (ii) Require lessees that apply the exemption to account for Covid-19-related rent concessions as if they were not lease modifications.

The practical expedient only applies to rent concessions occurring as a direct consequence of the Covid-19 pandemic and only if all of the following conditions are met:

- (i) Changes in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (ii) Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (iii) There is no substantive change to other terms and conditions of the lease.

The Group has early adopted Amendment to MFRS 16 and elected to apply the practical expedient to all rent concession relating to leases with similar characteristics and in similar circumstances. Consequently, the Group does not recognise changes in these lease payments as lease modifications and instead, recognise these as variable lease payments in profit or loss.

A2.2 MFRS and Amendment effective for financial years beginning on or after 1 January 2020

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board but have not been adopted by the Group and the Company:

Title	Effective Date
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020
<i>MFRS 17 Insurance Contracts</i>	1 January 2023
<i>Amendments to MFRS 101 Classification of Liabilities as Current or Non-current</i>	1 January 2023

A2. Accounting Policies (cont'd)

A2.2 MFRS and Amendment effective for financial years beginning on or after 1 January 2020 (cont'd)

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board but have not been adopted by the Group and the Company: (cont'd)

Title	Effective Date
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</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 in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

A3. Seasonal or Cyclical Factors

Our business operations are generally dependent on the Malaysia economy, government initiatives and consumer confidence, as well as major festive seasons.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

Save for the Covid-19 pandemic and the enforcement of Movement Control Order (“MCO”) by the Malaysian government which temporarily suspends the Group’s operations during the MCO period, there were no unusual items as a result of their nature, size or incidence that had affected this interim financial report for the current financial period under review.

A5. Material Changes in Accounting Estimates

There were no material changes in accounting estimates in the current financial period under review.

A6. Debt and Equity Securities

There were no other issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial period under review.

A7. Segmental Performance

	2HFY20			2HFY19		
	Retailing RM'000	Investment and management services RM'000	Total RM'000	Retailing RM'000	Investment and management services RM'000	Total RM'000
Revenue						
Total revenue	40,481	9,404	49,885	83,978	13,163	97,141
Inter-segment revenue	(10,969)	(9,358)	(20,327)	(19,179)	(13,163)	(32,342)
Revenue from external customers	29,512	46	29,558	64,799	-	64,799
Interest income	326	23	349	136	-	136
Interest expenses	-	(29)	(29)	(4)	(232)	(236)
Net interest income/(expenses)	326	(6)	320	132	(232)	(100)
Segment profit/ (loss) before tax	616	165	781	5,631	274	5,905
Tax expense	363	206	569	2,389	75	2,464
Segment assets	61,184	47,955	109,139	54,741	40,223	94,964
Segment liabilities	17,433	20,008	37,441	4,361	17,351	21,712

A8. Related parties transactions

Transacting related parties	Nature of transactions	12 months ended 30.6.2020 RM'000
Luxury Parade Sdn Bhd	Joint security management for the security services for entire Block C (located at Jalan Cheras Zen 1A, Taman Platinum Cheras) comprising 6 level of office building together with 92 units of carpark bays	82
Bonia International Holdings Pte Ltd ("BIH")	Trademarks royalties paid to BIH based on percentage of transacted sales for the trademarks rights granted	31
Total		113

A9. Qualification of Preceding Annual Financial Statements

The Company's preceding Audited Financial Statements for the financial year ended 30 June 2019 did not contain any qualification.

A10. Material Events Subsequent to the End of the Financial Period

There were no material events subsequent to the end of current financial period.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial period.

A12. Contingent Liabilities

Save as disclosed below, as at 30 June 2020, the Company is unaware of other contingent liabilities:

	As at 30 June 2020 RM'000
Corporate guarantee to financial institutions for banking facilities granted to and utilised by subsidiaries	2,687
Corporate guarantees to landlords for tenancy agreements entered into by a subsidiary	892
Total	3,579

A13. Capital Commitments

The total capital commitments of the Group as at 30 June 2020 are as follows:

	As at 30 June 2020 RM'000
Authorised and contractual for:	
Property, plant and equipment:	
- counter fixture	152
	<u>=====</u>

A14. Valuation of property, plant and equipment and investment property

Save for the revaluation on an investment property (which was transferred from property, plant and equipment) during current financial period under review, there were no changes or amendments to the valuation of property, plant and equipment from the Group's previous financial statements.

B. ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Performance Review

2HFY20 vs 2HFY19

For the current financial period under review, the Group recorded a total revenue of RM29.56 million as compared to the total revenue of RM64.80 million reported in the preceding year corresponding period, representing a decrease of 54.38% or RM35.24 million. The significant decline in revenue was mainly due to enforcement of MCO by the Malaysian Government which resulting with temporary suspension of business activities of the Group's retail outlets during the MCO period and weakened consumer spending, as well as the Group's on-going rationalization process of closing its non-performing departmental stores counters and boutiques.

The Group's operating expenses reduced by 31.59% or RM8.28 million for 2HFY20, mainly due to decrease in operating cost as a result of restricted business operations during the MCO period and on-going consolidation and rationalization exercise to close the non-performing departmental stores counters and boutiques.

In line with lower revenue, the profit before tax of the Group for current financial period under review decreased by 86.80% or RM5.13 million as compared to the corresponding period of the preceding year.

2HFY20 vs 1HFY20

	Current period	Immediate preceding period
	30.06.2020	31.12.2019
	RM'000	RM'000
Revenue	29,558	51,055
Profit before tax	781	4,507

For the current financial period under review, the Group reported a decline in revenue of RM21.50 million or 42.11% as compared to a revenue of RM51.06 million reported in the immediate preceding period. The decline in revenue was mainly due to restricted business operations during the MCO period.

The decline in revenue for current financial period under review has resulted with a significant decline in the Group's profit before tax, wherein it decreased by 82.71% or RM3.73 million as compared to the immediate preceding period.

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B2. Prospects

The outbreak of Covid-19 pandemic has brought on unprecedented uncertainties onto the local and global economies, which inevitably impact the consumer sentiments and spending as well as intensify soft retail market conditions.

The Board of Directors of the Company (“Board”) expects the Group’s performance to be challenging in the near future as domestic economy, retail business and consumer sentiments recover from the uncertainties brought on by the Covid-19 pandemic. The Group will continue to focus on its existing business strategies to increase the revenue, expand online presence while at the same time remain prudent in resources management to ensure cost optimization and operational efficiency to mitigate the economic impact of Covid-19.

B3. Profit Forecast, Profit Guarantee and Internal Targets

No revenue or profit estimate, forecast, projection or internal targets has been issued by the Group previously in any public document.

C. OTHER INFORMATION

C1. Status of Corporate Proposals

There were no corporate proposals announced and pending completion as at the date of this report.

C2. Borrowings

As at the reporting date, the Group's borrowings (all denominated in RM) are as follows:

	12 months ended 30.06.2020 RM'000	12 months ended 30.06.2019 RM'000
<u>Current liabilities</u>		
Secured		
Hire purchase and lease creditor ⁽¹⁾	-	73
Term loans	960	771
	<hr/>	<hr/>
	960	844
 <u>Non-current liabilities</u>		
Secured		
Hire purchase and lease creditor ⁽¹⁾	-	327
Term loans	12,958	14,254
	<hr/>	<hr/>
	12,958	14,581
 Total	 <hr/> 13,918 <hr/>	 <hr/> 15,425 <hr/>

Note:

(1) Hire purchase and lease creditor had been reclassified to lease liabilities upon the adoption of MFRS 16 Leases on 1 July 2019.

C3. Material Litigation

There are no material litigations involving the Group as at the date of this report.

C4. Dividend

On 27 August 2020, the Board has authorised for a distribution out of the profits and/or retained earnings of the Company available in the form of a single tier interim dividend of RM0.0025 per ordinary share in respect of the financial year ending 30 June 2021 to be made on 22 September 2020 to the shareholders of the Company.

C5. Earnings Per Share

	Individual 6 months ended		Cumulative 12 months ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owner of the Company	212	3,441	3,001	4,340
Weighted average number of ordinary shares ('000)	805,651	805,651	805,651	805,651
Basic earnings per ordinary share (Sen)	0.03	0.43	0.37	0.54

This report is dated 27 August 2020.