



**MCOM HOLDINGS BERHAD**  
(Registration No.: 201701034106 (1248277-X))  
(Incorporated in Malaysia)

**FINANCIAL STATEMENTS FOR THE HALF-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 MCOM HOLDINGS BERHAD (“MCOM” 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.**



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**UNAUDITED CONDENSED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2020**

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 6-MONTH ENDED	
	Unaudited 30.06.2020 RM'000	Unaudited 30.06.2019 RM'000	Unaudited 30.06.2020 RM'000	Unaudited 30.06.2019 RM'000
Revenue	5,129	2,838	5,129	2,838
Cost of Sales	(2,708)	(1,239)	(2,708)	(1,239)
<b>Gross Profit</b>	<b>2,421</b>	<b>1,599</b>	<b>2,421</b>	<b>1,599</b>
Other Income	182	46	182	46
Selling and distribution expenses	-	(4)	-	(4)
Administrative expenses	(2,956)	(3,774)	(2,956)	(3,774)
Other expenses	(375)	(374)	(375)	(374)
<b>Loss from operating activities</b>	<b>(728)</b>	<b>(2,507)</b>	<b>(728)</b>	<b>(2,507)</b>
Finance Costs	(24)	(7)	(24)	(7)
<b>Loss before tax ("LBT")</b>	<b>(752)</b>	<b>(2,514)</b>	<b>(752)</b>	<b>(2,514)</b>
Income tax expense	(34)	(1)	(34)	(1)
<b>Loss after tax ("LAT") for the period</b>	<b>(786)</b>	<b>(2,515)</b>	<b>(786)</b>	<b>(2,515)</b>
Other comprehensive income	417	21	417	21
<b>Total comprehensive loss for the period</b>	<b>(369)</b>	<b>(2,494)</b>	<b>(369)</b>	<b>(2,494)</b>
<b>Profit after tax ("PAT") / (LAT) attributable to:</b>				
Owners of the Company	22	(2,056)	22	(2,056)
Non-controlling interest	(808)	(459)	(808)	(459)
	<b>(786)</b>	<b>(2,515)</b>	<b>(786)</b>	<b>(2,515)</b>
<b>Total comprehensive income / (loss) attributable to:</b>				
Owners of the Company	491	(2,007)	491	(2,007)
Non-controlling interest	(860)	(487)	(860)	(487)
	<b>(369)</b>	<b>(2,494)</b>	<b>(369)</b>	<b>(2,494)</b>



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	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 6-MONTH ENDED	
	Unaudited 30.06.2020 RM'000	Unaudited 30.06.2019 RM'000	Unaudited 30.06.2020 RM'000	Unaudited 30.06.2019 RM'000
EBITDA	(383)	(2,134)	(383)	(2,134)
Basic Earnings per share (“EPS”) <sup>(1)</sup> (Sen)	0.01	(1.21)	0.01	(1.21)
Gross profit Margin (%)	47.20	56.34	47.20	56.34
LBT Margin (%)	(14.66)	(88.58)	(14.66)	(88.58)
LAT Margin (%)	(15.32)	(88.62)	(15.32)	(88.62)

**Notes:**

- (1) *Computed based on PAT / LAT attributable to the owners of the Company divided by the weighted average number of ordinary shares in MCOM (“MCOM Shares” or “Shares”).*
- (2) *The basis of preparation of the unaudited Condensed Statements of Comprehensive Income are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*



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**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at 30.06.2020</b>	<b>As at 31.12.2019</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Equipment	1,976	2,207
Right-of-use assets	377	495
Other assets	75	74
<b>Total non-current assets</b>	<b>2,428</b>	<b>2,776</b>
<b>Current assets</b>		
Trade receivables	17,547	17,637
Other receivables, deposits and prepayments	2,251	2,631
Amount owing by immediate holding company	26	16
Current tax assets	67	54
Fixed deposits with licensed banks	252	452
Cash and bank balances	2,444	1,407
<b>Total current assets</b>	<b>22,587</b>	<b>22,197</b>
<b>TOTAL ASSETS</b>	<b>25,015</b>	<b>24,973</b>
<b>EQUITY</b>		
Share capital	14,506	14,506
Merger deficit	(6,105)	(6,105)
Reserves	7,869	7,373
<b>Equity attributable to owners of the Company</b>	<b>16,270</b>	<b>15,774</b>
Non-controlling interests	(1,101)	(241)
<b>TOTAL EQUITY</b>	<b>15,169</b>	<b>15,533</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Employee benefits obligation	167	165
Term loan	226	226
Lease liabilities	228	298
Deferred tax liabilities	42	42
<b>Total non-current liabilities</b>	<b>663</b>	<b>731</b>



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	<b>Unaudited</b>	<b>Audited</b>
	<b>As at 30.06.2020</b>	<b>As at 31.12.2019</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>Current liabilities</b>		
Trade payables	6,213	5,418
Other payables and accruals	1,827	1,842
Amount owing to a director	-	320
Term loan	27	26
Lease liabilities	219	288
Current tax liabilities	897	815
<b>Total current liabilities</b>	<b>9,183</b>	<b>8,709</b>
<b>TOTAL LIABILITIES</b>	<b>9,846</b>	<b>9,440</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,015</b>	<b>24,973</b>
<b>NET ASSETS PER SHARE<sup>(1)</sup> (RM)</b>	<b>0.0863</b>	<b>0.0837</b>

*Notes:*

- (1) *Net assets per share is calculated based on 188,559,908 MCOM Shares in issue at the end of the reporting period.*
- (2) *The basis of preparation of the unaudited Condensed Statements of Financial Position are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*



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**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2020**

	Share Capital (RM'000)	Appropriated Legal reserve (RM'000)	Foreign Exchange Translation Reserve (RM'000)	Merger Deficit (RM'000)	Retained Profits (RM'000)	Attributable to owners of the Company (RM'000)	Non- controlling interest (RM'000)	Total Equity (RM'000)
As at 1 January 2020	14,506	20	(122)	(6,105)	7,475	15,774	(241)	15,533
Total income for the period	-	-	-	-	22	22	(808)	(786)
Foreign Currency Translation Differences for Foreign Operations	-	-	474	-	-	474	(52)	422
Total Comprehensive income/(expense) for the financial period	-	-	474	-	22	496	(860)	(364)
Contribution by and distribution to owners of the Company								
- Issuance of Shares	-	-	-	-	-	-	-	-
- Transaction cost	-	-	-	-	-	-	-	-
As at 30 June 2020	14,506	20	352	(6,105)	7,497	16,270	(1,101)	15,169



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	Share Capital (RM'000)	Appropriated Legal reserve (RM'000)	Foreign Exchange Translation Reserve (RM'000)	Merger Deficit (RM'000)	Retained Profits (RM'000)	Attributable to owners of the Company (RM'000)	Non- controlling interest (RM'000)	Total Equity (RM'000)
As at 1 January 2019	9,334	20	(44)	(6,105)	6,745	9,950	(177)	9,773
<b>Total income for the period</b>	-	-	-	-	(2,055)	(2,055)	(459)	(2,514)
<b>Foreign Currency Translation Differences for Foreign Operations</b>	-	-	48	-	-	48	(28)	(20)
<b>Total Comprehensive (expense)/income for the financial period</b>	-	-	48	-	(2,055)	(2,007)	(487)	(2,494)
<b>Contribution by and distribution to owners of the Company</b>								
- Issuance of Shares	5,279	-	-	-	-	5,279	-	5,279
<b>As at 30 June 2019</b>	<b>14,613</b>	<b>20</b>	<b>4</b>	<b>(6,105)</b>	<b>4,690</b>	<b>13,222</b>	<b>(664)</b>	<b>12,558</b>



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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED  
 30 JUNE 2020**

	<b>CUMULATIVE 6-MONTH ENDED</b>	
	<b>Unaudited 30.06.2020 RM'000</b>	<b>Unaudited 30.06.2019 RM'000</b>
<b>Cash flows (to)/from operating activities</b>		
Loss before taxation	(752)	(2,514)
<i>Adjustments for:</i>		
Amortisation of intangible assets	-	25
Depreciation of equipment	299	348
Depreciation of right-of-use assets	46	-
Equipment written off	-	1
Interest expense	24	7
Unrealised gain on foreign exchange	(91)	(1)
Interest income	(2)	(1)
<b>Operating loss before working capital changes</b>	<b>(476)</b>	<b>(2,135)</b>
Decrease/(Increase) in trade and other receivables	1,075	(3,824)
Increase in amount owing by penultimate holding company	(9)	-
Increase/(Decrease) in trade and other payables	682	(706)
Decrease in amount owing to director	(320)	-
Decrease in amount owing to penultimate holding company	-	(4)
<b>Cash generated from/(used in) operations</b>	<b>952</b>	<b>(6,669)</b>
Tax refund	18	55
Interest paid	(24)	(7)
<b>Net cash from/(used in) operating activities</b>	<b>946</b>	<b>(6,621)</b>
<b>Cash flows to investing activities</b>		
Interest received	2	1
Purchase of equipment	(8)	(70)
<b>Net cash used in investing activities</b>	<b>(6)</b>	<b>(69)</b>





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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED  
 30 JUNE 2020**

	<b>CUMULATIVE 6-MONTH ENDED</b>	
	<b>Unaudited 30.06.2020 RM'000</b>	<b>Unaudited 30.06.2019 RM'000</b>
<b>Cash flows from financing activities</b>		
Repayment of hire purchase	-	(49)
Repayment of term loans	2	-
Repayment of lease liabilities	(142)	-
Proceeds from issuance of ordinary shares	-	5,280
<b>Net cash (used in)/from financing activities</b>	<b>(140)</b>	<b>5,231</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>800</b>	<b>(1,459)</b>
Effects of foreign exchange translation	37	(71)
Cash and cash equivalents at the beginning of the financial period	1,859	1,979
<b>Cash and cash equivalents at end of the financial period</b>	<b>2,696</b>	<b>449</b>
<b>Cash and cash equivalents at end of the financial period comprises of:</b>		
Fixed deposits with a licensed bank	252	-
Cash and bank balances	2,444	449
	<b>2,696</b>	<b>449</b>



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## **A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020**

### **A1 Compliance with Financial Reporting Standard and LEAP Market Listing Requirements of Bursa Malaysia Securities Berhad**

#### **Basis of Preparation**

The interim financial statements of MCOM and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“**MFRS**”) 134: Interim Financial Reporting.

The interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.

#### **Changes in Accounting Policies**

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted in the Audited Financial Statements for the financial year ended 31 December 2019.

The Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 16 Leases

IC Interpretation 23 Uncertainty Over Income Tax Treatments

Amendments to MFRS 9: Prepayment Features with Negative Compensation

Amendments to MFRS 119: Plan, Amendment, Curtailment or Settlement

Amendments to MFRS 128: Long-term Interests in Associates and Joint Ventures

Annual Improvements to MFRS Standards 2015 – 2017 Cycles

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements except as follows:

(i) **MFRS 16 Leases**

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and replaced the previous guidance on lease accounting. Under MFRS 16, the classification of leases as either finance leases or operating leases is



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eliminated for lessees. All lessees are required to recognise their leased assets and the related lease obligations in the statement of financial position (with limited exceptions) as right-of-use assets and lease liabilities respectively. The right-of-use assets are subject to depreciation and the interest on lease liabilities are calculated using the effective interest method.

The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

**A2 SEASONAL OR CYCLICAL FACTORS**

Except for our mobile advertising platform business, the business operations of our Group are not materially affected by any seasonal or cyclical factors. The mobile advertising platform business is dependent on the seasonal trend of the digital and mobile advertising spending.

**A3 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There were no material unusual items affecting assets, liabilities, equity, net income and cash flow of the Group during the current financial period.

**A4 MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates during the period ended 30 June 2020.



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### A5 DEBTS AND EQUITY SECURITIES

There were no changes in the debt and equity securities for the 6-month financial period ended 30 June 2020.

### A6 SEGMENTAL INFORMATION

#### (i) Analysis of revenue by services

	INDIVIDUAL 6-MONTH ENDED				CUMULATIVE 6-MONTH ENDED			
	2020		2019		2020		2019	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Mobile payment solutions	1,279	24.94	1,987	70.01	1,279	24.94	1,987	70.01
Mobile advertising platform	3,850	75.06	850	29.95	3,850	75.06	850	29.95
Internet services	-	-	1	0.04	-	-	1	0.04
Management fee	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,129</b>	<b>100.00</b>	<b>2,838</b>	<b>100.00</b>	<b>5,129</b>	<b>100.00</b>	<b>2,838</b>	<b>100.00</b>

#### (ii) Analysis of revenue by geographical location

	INDIVIDUAL 6-MONTH ENDED				CUMULATIVE 6-MONTH ENDED			
	2020		2019		2020		2019	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	476	9.28	255	8.99	476	9.28	255	8.99
Thailand	1,288	25.11	1,737	61.21	1,288	25.11	1,737	61.21
Hong Kong	3,319	64.71	761	26.81	3,319	64.71	761	26.81
China	3	0.06	24	0.85	3	0.06	24	0.85
Singapore	2	0.04	59	2.08	2	0.04	59	2.08
Cambodia <sup>(1)</sup>	-	-	1	0.03	-	-	1	0.03
Others <sup>(2)</sup>	41	0.80	1	0.03	41	0.80	1	0.03
<b>Total</b>	<b>5,129</b>	<b>100.00</b>	<b>2,838</b>	<b>100.00</b>	<b>5,129</b>	<b>100.00</b>	<b>2,838</b>	<b>100.00</b>

*Notes:*

(1) *Revenue from the provision of internet services.*

(2) *Consists of customers, whom are advertisers, of the Company's mobile advertising platform business segment from Indonesia, Turkey, Canada and Germany.*

The Group's revenue is mainly derived from the provision of mobile advertising platform and mobile payment solutions. The Group has also commenced the provision of internet services in Cambodia since June 2018.



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The Group recorded a revenue of RM5.13 million during the 6-month period ended 30 June 2020 which was mainly contributed by the mobile advertising platform and mobile payment solutions business segments with revenue contribution of 75.06% and 24.94% respectively.

**A7 PBT**

Included in the PBT are the following expenses / (income):

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 6-MONTH ENDED	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation of assets	345	373	345	373
Assets written off and loss on disposal of assets	-	1	-	1
Unrealised gain on foreign exchange	(91)	(1)	(91)	(1)
Realised gain on foreign exchange	(9)	(47)	(9)	(47)
Interest income	(2)	(1)	(2)	(1)
Interest expense	24	7	24	7

**A8 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

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

**A9 CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There are no contingent assets and contingent liabilities as at the date of this interim financial report.

**A10 CHANGES IN THE COMPOSITION OF THE COMPANY**

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



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**A11 CAPITAL COMMITMENTS**

	<b>CUMULATIVE 6-MONTH ENDED</b>	
	<b>30.06.2020</b>	<b>30.06.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<u><b>Approved but not contracted for</b></u> Purchase of property, plant and equipment	-	-
<u><b>Approved and contracted for</b></u> Purchase of property, plant and equipment	37	1,662

**B ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 REVIEW OF PERFORMANCE**

**6-month financial period ended 30 June 2020 compared to 6-month financial period ended 30 June 2019**

The Company's revenue increased by approximately RM2.29 million or 80.73% during the 6-month financial period ended 30 June 2020 as compared to the previous corresponding period, mainly contributed by the higher revenue for its mobile advertising platform segment as a result of increase in CPA (cost per acquisition) revenue due to increase in advertising activities and campaign as well as platform upgrade during the first half of 2020.

The Company's revenue was partially offset by lower revenue from the mobile payment solutions segment during the 6-month financial period ended 30 June 2020 as compared to the previous corresponding period as a result of suspension of short-code in Thailand due to change of traffic sources by affiliates.

In line with the higher revenue, the Company's gross profit increased by approximately RM0.82 million or 51.45% to approximately RM2.42 million during the 6-month financial period ended 30 June 2020 (6-month financial period ended 30 June 2019: approximately RM1.60 million) due to abovementioned improvement in revenue generated from the mobile advertising platform.

The gross profit margin during the 6-month financial period ended 30 June 2020 decreased to 47.20% (6-month financial period ended 30 June 2019: 56.34%) due to higher cost of sales incurred by the Company's mobile advertising platform segment arising from the higher



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commission pay-outs to publishers in relation to the Group's mobile advertising platform segment.

The Company reported a lower LBT of approximately RM0.75 million during the 6-month financial period ended 30 June 2020 (6-month financial period ended 30 June 2019: LBT of approximately RM2.51 million) due to:

- (i) the abovementioned improvement in revenue generated from the mobile advertising platform during the 6-month financial period ended 30 June 2020 as compared to the previous corresponding period;
- (ii) lower administrative expenses during the 6-month financial period ended 30 June 2020 as compared to the previous corresponding period as a result of reduction in IPO expenses, travelling expenses, office rental and consultation fee; and
- (iii) higher other income of RM0.18 million (6-month financial period ended 30 June 2019: RM0.04 million) as a result of interest income from fixed deposit and realised gain from foreign exchange due to strengthening of MYR to USD.

The Company reported a lower LAT of approximately RM0.79 million during the 6-month financial period ended 30 June 2020 (6-month period ended 30 June 2019: LAT of approximately RM2.52 million) mainly due to improvement in revenue generated from the mobile advertising platform segment.

## **B2 PROSPECTS OF THE COMPANY**

In line with the Group's overall strategy, the Group will continue to enhance its B2B2C platform service, which is an integrated platform solution aiming to connect warehouse manufacturers, logistic companies, online stores, digital marketers and customer support service for e-commerce. The B2B2C platform will widen the reach for the mobile advertising platform covering both manufacturers and end users and thus, contributing growth to the Group's mobile advertising platform revenue in the medium and long term.

The COVID-19 pandemic and the resultant global lockdown has sped up and necessitated the process of digitalisation for many businesses, especially for e-commerce. The Group, as a digital marketing solution provider, specialising in mobile advertising platform and mobile payment solutions, has taken the initiative during the COVID-19 pandemic to streamline many internal processes and enhance their technology capability to gear up for future business digitalisation. Barring any unforeseen circumstances, the Board is cautiously optimistic that the Group's financial performance for the FYE 31 December 2020 will be favourable.



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**B3 VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

The Company has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

**C OTHER INFORMATION**

**C1 STATUS OF CORPORATE PROPOSALS**

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

**C2 BORROWINGS AND DEBT SECURITIES**

The Group's total borrowings (all denominated in RM) are as follows:

	<b>Unaudited</b> <b>As at 30.06.2020</b> <b>(RM'000)</b>	<b>Audited</b> <b>As at 31.12.2019</b> <b>(RM'000)</b>
<b><u>Non-current liabilities</u></b>		
Term loan	226	226
Lease liabilities	228	298
<b>Total</b>	<b>454</b>	<b>524</b>
<b><u>Current liabilities</u></b>		
Term loan	27	26
Lease liabilities	219	288
<b>Total</b>	<b>246</b>	<b>314</b>

As at the reporting date, the Company has not issued any debt securities.

**C3 MATERIAL LITIGATION**

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

**C4 DIVIDENDS**

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend as at the date of this report.





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**C5 EARNINGS/(LOSS) PER SHARE**

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 6-MONTH ENDED	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
Profit attributable to owners of the Company (RM)	21,604	(2,055,256)	21,604	(2,055,256)
Weighted average number of MCOM Shares at end of period	188,559,908	169,962,209	188,559,908	169,962,209
Basic earnings per ordinary share (sen)	0.01	(1.21)	0.01	(1.21)

The weighted average number of MCOM Shares in issue is computed as follows:

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 6-MONTH ENDED	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
Shares issued pursuant to:				
- Incorporation of the Company	2	2	2	2
- Acquisition of subsidiaries <sup>#</sup>	164,989,900	164,989,900	164,989,900	164,989,900
- Effect of issuance of new ordinary shares	23,570,006	4,972,307	23,570,006	4,972,307
	188,559,908	169,962,209	188,559,908	169,962,209

**Note:**

**# Ordinary shares arising from the acquisition of subsidiaries are assumed to be issued throughout the financial years ended 31 December 2017 and 31 December 2018 as the acquisition of subsidiaries was accounted under common control using the merger accounting method of consolidation.**

The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

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



**MCOM HOLDINGS BERHAD**

(Registration No.: 201701034106 (1248277-X))

(Incorporated in Malaysia)

**C6 UTILISATION OF PROCEEDS**

As at 30 June 2020, the status of the utilisation of proceeds from the placement of RM5.28 million is as follows:

<b>Purpose of use</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Re-allocation<sup>(1)</sup> RM'000</b>	<b>Balance RM'000</b>	<b>Initial timeframe for for utilisation</b>	<b>Extended Timeframe for utilisation<sup>(2)</sup></b>
Capital expenditure for internet service provision	2,900	(2,015)	-	885	By 2 June 2020	By 2 July 2021
Capital expenditure for mobile advertising platform	880	(755)	(33)	92	By 2 June 2020	By 2 July 2021
Listing expenses	1,500	(1,533)	33	-	Utilised	-
<b>Total estimated proceeds</b>	<b>5,280</b>	<b>(4,303)</b>	<b>-</b>	<b>977</b>		

*Notes:*

- (1) *As stated in Information Memorandum of the Company dated 23 January 2019, any shortfall or excess from listing expenses of RM1.50 million will be reallocated from/to the amount allocated for capital expenditure for mobile advertising platform.*
- (2) *On 29 June 2020, the Company announced the decision to extend the timeframe for the use of proceeds raised from the placement for an additional 12 months (i.e. by 2 July 2021). In view of the global business disruption caused by the COVID-19 pandemic, the Company expects a potential delay in setting up essential facilities in Cambodia to offer wired and wireless internet services as well as the expansion plan for mobile advertising platform due to the lockdown imposed in Cambodia and Malaysia. The lockdown has delayed the upgrade and installation works to be carried out at the respective location.*