



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

**FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 31 DECEMBER 2022**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES
BERHAD (THE “EXCHANGE”)**

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 EXCHANGE. 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.

THE ADMISSION OF MCOM HOLDINGS BERHAD TO THE LEAP MARKET WAS ADVISED BY OUR APPROVED ADVISOR, TA SECURITIES HOLDINGS BERHAD.



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UNAUDITED CONDENSED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2022⁽¹⁾

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 12-MONTH ENDED	
	Unaudited 31.12.2022 RM'000	Unaudited 31.12.2021 RM'000	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
Revenue	702	1,995	3,521	6,381
Cost of Sales	(488)	(1,458)	(3,272)	(5,440)
Gross Profit	214	537	249	941
Other Income	-	100	1,871	152
Selling and distribution expenses	(2)	-	(3)	(33)
Administrative expenses	(1,401)	(3,674)	(4,175)	(5,832)
Other expenses	(318)	(371)	(849)	(2,909)
Loss from operating activities	(1,507)	(13,317)	(2,907)	(7,681)
Finance Costs	(75)	(22)	(137)	(59)
Net impairment losses on financial assets	(28)	(9,909)	-	(9,909)
Loss before tax	(1,610)	(13,339)	(3,044)	(17,649)
Income tax expense	(15)	(178)	(15)	(317)
Loss after tax for the period	(1,625)	(13,517)	(3,059)	(17,966)
Other comprehensive income/ (expenses) for the period, net of tax				
Fair value changes of equity investments	(350)	350	(350)	350
Foreign currency translation differences	(262)	32	(135)	516
Total comprehensive loss for the period	(2,237)	(13,135)	(3,544)	(17,100)
Loss attributable to:				
Owners of the Company	(1,595)	(12,757)	(2,101)	(15,034)
Non-controlling interest	(30)	(760)	(958)	(2,932)
	(1,625)	(13,517)	(3,059)	(17,966)
Total comprehensive loss attributable to:				
Owners of the Company	(2,108)	(12,423)	(2,453)	(14,252)
Non-controlling interest	(129)	(712)	(1,091)	(2,848)
	(2,237)	(13,135)	(3,544)	(17,100)



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	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 12-MONTH ENDED	
	Unaudited 31.12.2022	Unaudited 31.12.2021	Unaudited 31.12.2022	Audited 31.12.2021
	RM'000	RM'000	RM'000	RM'000
EBITDA	(1,356)	(3,000)	(2,258)	(6,866)
Basic/Diluted loss per share ⁽²⁾ (Sen)	(0.85)	(6.77)	(1.11)	(7.97)
Gross profit Margin (%)	30.48	26.92	7.07	14.75
LBT Margin (%)	(229.34)	(668.62)	(86.45)	(276.59)
LAT Margin (%)	(231.48)	(677.54)	(86.88)	(281.55)

Notes:

(1) The basis of preparation of the unaudited Condensed Financial Statements are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.

(2) Computed based on profit/loss after tax attributable to the owners of the Company divided by the weighted average number of ordinary shares in MCOM ("MCOM Shares" or "Shares"). Kindly refer to Note C5 for further details.



MCOM HOLDINGS BERHAD
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UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022⁽¹⁾

	Unaudited	Audited
	As at 31.12.2022	As at 31.12.2021
	(RM'000)	(RM'000)
ASSETS		
Non-current assets		
Equipment	212	330
Right-of-use assets	316	523
Other investments	65	550
Total non-current assets	593	1,403
Current assets		
Trade receivables	1,381	1,946
Contract assets	273	648
Other receivables, deposits and prepayments	959	1,034
Amount owing by immediate holding company	-	15
Amount owing by related parties	8	-
Current tax assets	324	231
Fixed deposits with licensed banks	379	254
Cash and bank balances	135	283
Total current assets	3,459	4,411
TOTAL ASSETS	4,052	5,814
EQUITY		
Share capital	14,506	14,506
Merger deficit	(6,105)	(6,105)
Reserves	(8,662)	(6,209)
Equity attributable to owners of the Company	(261)	2,192
Non-controlling interests	(4,748)	(3,657)
TOTAL EQUITY	(5,009)	(1,465)
LIABILITIES		
Non-current liabilities		
Employee benefits obligation	196	205
Lease liabilities	179	342
Term loan	240	195
Total non-current liabilities	615	742



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	Unaudited	Audited
	As at 30.06.2022	As at 31.12.2021
	(RM'000)	(RM'000)
Current liabilities		
Trade payables	1,601	3,015
Other payables and accruals	3,512	1,824
Amount owing to a director	2,037	145
Amount owing to a related company	20	-
Amount owing to ultimate holding company	4	7
Current tax liabilities	116	336
Lease liabilities	118	185
Term loan	34	30
Bank overdraft	1,004	995
Total current liabilities	8,446	6,537
TOTAL LIABILITIES	9,061	7,279
TOTAL EQUITY AND LIABILITIES	4,052	5,814
NET ASSETS PER SHARE⁽²⁾ (RM)	(0.0014)	0.0116

Notes:

(1) *The basis of preparation of the unaudited Condensed Financial Statements are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*

(2) *Net assets per share is calculated based on 188,559,908 MCOM Shares in issue at the end of the reporting period.*

IMPORTANT NOTICE TO SHAREHOLDERS

MCOM and its subsidiaries (“**Group**”) recorded net liabilities position as at 31 December 2022. In response thereto, the Group has taken steps to address/improve its financial position. The Group had, on 7 February 2023, successfully obtained the shareholders’ approval for the proposed settlement of RM2.01 million owing to Chew Lee Poh (“**CLP**”), the executive director and vice president of the company via the issuance of new 7,173,000 MCOM shares at an issue price of RM0.28 each (“**Proposed Debt Settlement**”). The Proposed Debt Settlement, on completion, will increase the Group’s share capital and reduce the Group’s liabilities and accordingly, is expected to improve the Group’s overall finance position.

Additionally, the Group is also in the midst of undertaking a voluntary winding up of M-Media., Ltd (“**M-Media**”), an 85.0%-owned subsidiary of the Group. The voluntary winding-up of M-Media will enable the Group to streamline its group structure and to exit from loss-making operations, as well as to save on future costs associated with maintaining a non-operating subsidiary; taking into consideration that M-Media has ceased operations after recording consecutive losses over the historical years. The voluntary winding-up of M-Media, on completion, is expected to help reduce the overhead costs and losses and accordingly, its expected to contribute positively to the Group’s future performance and overall financial position.

Further details on the above exercises are contained in the Company’s circular as set out in the announcement to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) dated 13 January 2023.



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UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2022⁽¹⁾

	Share Capital (RM'000)	Appropriated Legal Reserve (RM'000)	Foreign Exchange Translation Reserve (RM'000)	Fair Value Reserve (RM'000)	Merger Deficit (RM'000)	Retained Profits/ (Accumulated Losses) (RM'000)	Attributable to owners of the Company (RM'000)	Non- controlling interest (RM'000)	Total Equity (RM'000)
Balance as at 1 January 2022	14,506	20	86	350	(6,105)	(6,665)	2,192	(3,657)	(1,465)
Total loss for the period	-	-	-	-	-	(2,101)	(2,101)	(958)	(3,059)
Fair value changes of equity investments	-	-	-	(350)	-	-	(350)	-	(350)
Foreign Currency Translation Differences for Foreign Operations	-	-	(2)	-	-	-	(2)	(133)	(133)
Total comprehensive income/(expense) for the financial period	-	-	(2)	(350)	-	(2,101)	(2,453)	(1,091)	(3,544)
Balance as at 31 December 2022	14,506	20	84	-	(6,105)	(8,766)	(261)	(4,748)	(5,009)



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	Share Capital (RM'000)	Appropriated Legal reserve (RM'000)	Foreign Exchange Translation Reserve (RM'000)	Fair Value Reserve (RM'000)	Merger Deficit (RM'000)	Retained Profits/ (Accumulated Losses) (RM'000)	Attributable to owners of the Company (RM'000)	Non-controlling interest (RM'000)	Total Equity (RM'000)
Balance as at 1 January 2021	14,506	20	(346)	-	(6,105)	8,369	16,444	(809)	15,635
Total loss for the period	-	-	-	-	-	(15,034)	(15,034)	(2,932)	(17,966)
Fair value changes of equity investments	-	-	-	350	-	-	350	-	350
Foreign Currency Translation Differences for Foreign Operations	-	-	432	-	-	-	432	84	516
Total comprehensive income/(expense) for the financial period	-	-	432	350	-	(15,034)	(14,252)	(2,848)	(17,100)
Balance as at 31 December 2021	14,506	20	86	350	(6,105)	(6,665)	2,192	(3,657)	(1,465)

Notes:

- (1) *The basis of preparation of the unaudited Condensed Financial Statements are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*



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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022⁽¹⁾

	CUMULATIVE 12-MONTH ENDED	
	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
Cash flows from operating activities		
Loss before taxation	(3,044)	(17,649)
<i>Adjustments for:</i>		
Bad debts written off	159	15
Change in fair value of financial asset	2	-
Deposit written off	-	25
Depreciation of equipment	172	539
Depreciation of right-of-use assets	207	276
Development cost written off	-	1,211
Equipment cost written off	43	444
Gain on lease modification	-	(2)
(Reversal)/Addition of impairment loss:		
- equipment	-	140
- other receivables	-	253
- trade receivables	(294)	9,656
Interest expense	137	59
Interest income	(6)	(2)
Provision for employee benefits obligation	(14)	20
Unrealised gain on foreign exchange	(200)	(20)
Operating loss before working capital changes	(2,838)	(5,035)
Decrease in trade and other receivables	1,181	5,908
Increase in amount owing by immediate holding company	16	-
Increase in amount owing by related party	12	-
Increase/(decrease) in trade and other payables	169	(685)
(Decrease)/increase in amount owing to ultimate holding company	(4)	7
Increase in amount owing to director	1,893	145
Cash from operations	429	340
Income tax paid	(346)	(1,513)
Interest paid	(65)	(13)
Net cash from/(for) operating activities	18	(1,186)



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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022⁽¹⁾

	CUMULATIVE 12-MONTH ENDED	
	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
Cash flows for investing activities		
Acquisition of quoted investments	-	(200)
Development costs paid	-	(830)
Interest received	6	2
Increase in pledged fixed deposit with licensed banks	(125)	(201)
Purchase of equipment	(121)	(35)
Proceeds of quoted shares	133	-
Proceeds from disposal of plant and equipment	26	-
Net cash for investing activities	(81)	(1,264)
Cash flows for financing activities		
Interest paid	(72)	(47)
Repayment of term loans	(11)	(16)
Repayment of lease liabilities	(170)	(241)
Net cash for financing activities	(253)	(304)
Net changes in cash and cash equivalents	(316)	(2,754)
Effects of foreign exchange translation	159	(2)
Cash and cash equivalents at beginning of the financial period	(712)	2,044
Cash and cash equivalents at end of the financial period	(869)	(712)
Cash and cash equivalents at end of the financial period comprises of:		
Fixed deposits with a licensed bank	379	254
Cash and bank balances	135	283
Bank overdraft	(1,004)	(995)
	(490)	(458)



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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022⁽¹⁾

	CUMULATIVE 12-MONTH ENDED	
	Unaudited 31.12.2022 RM'000	Audited 31.12.2021 RM'000
Cash and cash equivalents at end of the financial period comprises of (Cont'd):		
Less: Fixed deposit pledged to licensed bank	(379)	(254)
	(869)	(712)

Notes:

- (1) *The basis of preparation of the unaudited Condensed Financial Statements are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*



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A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

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

Basis of Preparation

The interim financial statements of the 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 2021 and the accompanying explanatory notes attached to this interim financial report.

A2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of the unaudited combined interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2021, except for the following Amendments to MFRSs as disclosed below:

Effective for annual periods commencing on or after 1 January 2022

- Annual Improvements to MFRS Standards 2018 – 2020
- Amendments to MFRS 3 *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 116 *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*

The adoption of the above MFRS and Amendments to MFRSs did not have any significant financial impact to the Group.

The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not early adopted by the Group:

Effective for annual periods commencing on or after 1 January 2023

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative information*
- Amendments to MFRS 101 *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101 *Presentation of Financial Statements – Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112 *Income taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction*



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A2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Deferred (date to be determined by MASB)

- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Effective for annual periods commencing on or after 1 January 2024

- Amendments to MFRS 16 *Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Non-current Liabilities with Covenants*

The Group is in the process of assessing the impact of implementing these accounting standards and amendments, since the effects would only be observable for the future financial years.

A3 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.

A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASHFLOWS

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

A5 MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates during the period ended 31 December 2022.

A6 DEBTS AND EQUITY SECURITIES

There were no changes in the debt and equity securities for the 12-month financial period ended 31 December 2022.



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A7 SEGMENTAL INFORMATION

(i) Analysis of revenue by services

	INDIVIDUAL 6-MONTH ENDED				CUMULATIVE 12-MONTH ENDED			
	2022		2021		2022		2021	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Mobile payment solutions	416	59.26	1,809	90.68	1,266	35.96	3,734	58.52
Mobile advertising platform	286	40.74	185	9.27	2,255	64.04	2,643	41.42
Internet services	-	-	1	0.05	-	-	4	0.06
Total	702	100.00	1,995	100.00	3,521	100.00	6,381	100.00

(ii) Analysis of revenue by geographical location

	INDIVIDUAL 6-MONTH ENDED				CUMULATIVE 12-MONTH ENDED			
	2022		2021		2022		2021	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Malaysia	(73) ⁽¹⁾	(10.40)	140	7.02	140	3.98	380	5.96
Thailand	490	69.80	1,676	84.01	1,126	31.98	3,222	50.49
Hong Kong	286	40.74	165	8.27	2,255	64.04	561	8.79
China	-	-	14	0.70	-	-	1,470	23.04
British	-	-	7	0.35	-	-	739	11.58
Cambodia ⁽²⁾	-	-	1	0.05	-	-	4	0.06
Others ⁽³⁾	(1)	(0.14)	(8)	(0.40)	-	-	5	0.08
Total	702	100.00	1,995	100.00	3,521	100.00	6,381	100.00

Notes:

(1) Revenue over accrued for the 6-month financial period ended 30 June 2022.

(2) Revenue from the provision of internet services.

(3) Consists of customers, whom are advertisers, of the Company's mobile advertising platform business segment from the rest of the world.

The Group recorded a revenue of RM3.52 million during the 12-month period ended 31 December 2022, which was contributed by the mobile advertising platform business and mobile payment solutions segments with revenue contribution of 64.04% and 35.96% respectively.



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A8 PBT

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

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 12-MONTH ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation of assets	179	412	379	815
Assets written off	43	444	43	444
Unrealised gain on foreign exchange	(219)	185	(200)	(20)
Realised loss/(gain) on foreign exchange	73	(144)	99	(92)
Interest income	(4)	(1)	(6)	(2)
Interest expense	75	22	137	59

A9 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

The Group had, on 7 February 2023, successfully obtained the shareholders' approval on the following resolutions as mentioned below in the extraordinary general meeting ("**EGM**").

- (i) Proposed waiver of amount owing by M-Media to the Company and its subsidiaries, MCatch Labuan and MCOM Messaging (M) aggregating to RM5,910,361.70 ("**Proposed Waiver of Debt**").
- (ii) Proposed Debt Settlement
- (iii) Proposed alteration or amendments to the constitution of the company ("**Proposed Amendment**")

*(Hereinafter, collectively referred to as "**Proposals**")*

Further details on the Proposals are contained in the Company's circular as set out in the announcement to Bursa Securities dated 13 January 2023.

A10 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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



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A11 CHANGES IN THE COMPOSITION OF THE COMPANY

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

A12 CAPITAL COMMITMENTS

There were no capital commitments for the current financial period.



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

B1 REVIEW OF PERFORMANCE

6-month financial period ended 31 December 2022 compared to 6-month financial period ended 31 December 2021

The Group achieved a lower revenue of RM0.70 million for the 6-month financial period ended 31 December 2022 as compared to RM2.00 million in the previous year corresponding period, mainly due to lower sales recorded in our mobile payment solutions and Thailand segment of RM416,000 and RM490,000, respectively for the 6-month financial period ended 31 December 2022 as compared to RM1.81 million and RM1.68 million, respectively, for the 6-month financial period ended 31 December 2021, which is approximately a decrease of 77.00% and 70.76%, respectively.

Consequently, the Group's gross profit decreased by approximately RM0.33 million or 61.11% to gross profit RM0.21 million during the 6-month period ended 31 December 2022 (6-month period ended 31 December 2021: approximately RM0.54 million).

The Group reported a loss before tax ("LBT") of RM1.61 million in the current financial period as against a LBT of RM13.34 million in the preceding year corresponding period mainly due to non-recurrence of impairment losses on trade receivables for the 6-month financial period ended 31 December 2021 approximately RM9.91 million.

FYE 31 December 2022 compared to FYE 31 December 2021

The Group's revenue decreased by approximately RM2.86 million or 44.83% to approximately RM3.52 million in the FYE 31 December 2022 (FYE 31 December 2021: approximately RM6.38 million), mainly due to downturn of global economy reduced the spending power on mobile payment solutions.

Consequently, the Group achieved a lower gross profit of RM0.25 million in the FYE 31 December 2022 as compared to RM0.94 million in the FYE 31 December 2021 with a lower gross profit margin of 7.07% as compared to 14.75% respectively.

The Group reported LBT of approximately RM3.04 million in the FYE 31 December 2022 (FYE 31 December 2021: approximately RM17.65 million LBT) mainly due to non-recurrence of impairment losses on trade receivables in FYE 31 December 2021 and cost cutting on the administrative expenses in FYE 31 December 2022.



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B2 PROSPECTS OF THE COMPANY

As the global economy is currently on a post-pandemic recovery mode, the Group's performance has yet to improve due to conservative and reduced spending on mobile payment solutions and mobile advertisement.

However, MCOM will remain diligent on its core business activities such as mobile payment solution and mobile advertising platform and by actively seeking new business opportunities to expand its services provided and adapt to new technologies used to further improve its efficiency on its current services in order to attain a sustainable and profitable position for the Group.

Barring any unforeseen circumstance, our Board will remain vigilant and mindful of the challenges ahead such as macroeconomic headwinds and continue in our efforts to improve our operational efficiencies and our customer base.

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.



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C OTHER INFORMATION

C1 STATUS OF CORPORATE PROPOSALS

VOLUNTARY WINDING UP OF M-MEDIA

On 12 May 2022, the Company had announced that M-Media, an 85.0%-owned subsidiary of the Company incorporated in Cambodia, has engaged Crowe (KH) Co., Ltd. to assist in its process of voluntary winding-up.

M-Media was incorporated and registered with Ministry of Commerce, Cambodia on 28 October 2014 as a private limited company organised under Commercial Enterprise Laws of Cambodia; with its total issued and paid-up share capital amounting to USD5,000 comprising 1,000 ordinary shares. M-Media is principally involved in the provision of internet and related information technology services, but as of the date of this announcement, it is dormant.

In order to facilitate the voluntary winding up of M-Media, the Company had on 28 October 2022 announced its intention to undertake a Proposed Waiver of Debt which would tantamount to provision of financial assistance pursuant to Rule 7.02(d)(iii) of the LEAP Market Listing Requirement of Bursa Securities.

The Group had successfully obtained the shareholders' approval for the Proposed Waiver of Debt in the EGM, held on 7 February 2023.

The voluntary winding up of M-Media is still pending completion as at the date of this interim financial report.

PROPOSED DEBT SETTLEMENT

The Company had, on 27 October 2022 entered into a debt settlement agreement with CLP, the executive Director of the Company to settle the amount owing to CPL via the issuance 7,713,000 new ordinary shares of MCOM at an issue price of RM0.28 each.

The Group had successfully obtained the shareholders' approval for the Proposed Debt Settlement in the EGM, held on 7 February 2023.

The Proposed Debt Settlement is still pending completion as the issuance of new 7,173,000 is yet to be issued as at the date of this interim financial report.

There was no other corporate proposal during the financial period under review apart from those mentioned above.



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

C2 BORROWINGS AND DEBT SECURITIES

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

	Unaudited As at 31.12.2022 (RM'000)	Audited As at 31.12.2021 (RM'000)
<u>Non-current liabilities</u>		
Term loan	240	195
Lease liabilities	179	342
	419	537
<u>Current liabilities</u>		
Term loan	34	30
Lease liabilities	118	185
Bank overdraft	1,004	995
	1,156	1210
Total	1,575	1,747

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.

C5 LOSS PER SHARE

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 12-MONTH ENDED	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Loss attributable to owners of the Company (RM'000)	(1,595)	(12,757)	(2,101)	(15,034)
Weighted average number of MCOM Shares at end of period	188,559,908	188,559,908	188,559,908	188,559,908
Loss per ordinary share (sen)	(0.85)	(6.77)	(1.11)	(7.97)

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.