



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

**FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 30 JUNE 2024**

**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



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2024^(1,2)

	INDIVIDUAL 6-MONTH ENDED	CUMULATIVE 18-MONTH ENDED
	Unaudited 30.06.2024 RM'000	Unaudited 30.06.2024 RM'000
Revenue	182	949
Cost of Sales	(54)	(298)
Gross Profit	128	651
Other Income	253	617
Selling and distribution expenses	(1)	(4)
Administrative expenses	(480)	(2,004)
Other expenses	(407)	(1,135)
Loss from operating activities	(507)	(1,875)
Finance Costs	(35)	(149)
Reversal of impairment losses on financial assets	3	727
Loss before tax	(539)	(1,297)
Income tax expense	-	-
Loss after tax for the period	(539)	(1,297)
Other comprehensive expenses for the period, net of tax		
Foreign currency translation differences	567	240
Total comprehensive income/(loss) for the period	28	(1,057)
Loss attributable to:		
Owners of the Company	(418)	(1,918)
Non-controlling interest	(121)	621
	(539)	(1,297)
Total comprehensive income/(loss) attributable to:		
Owners of the Company	(31)	(1,631)
Non-controlling interest	59	574
	28	(1,057)
Loss per share⁽³⁾(Sen)	(0.21)	(0.98)



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

Notes:

- (1) There are no comparative figures available for presentation for the corresponding financial period. The Board of Directors have approved the change of financial year end from 31 December to 30 June. The next set of audited financial statements will be commencing from 1 January 2023 to 30 June 2024, covering a period of 18 months. Thereafter, the subsequent financial year end shall end on 30 June annually. Kindly refer to announcement made on 18 April 2024 for further details.***
- (2) 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.***
- (3) Kindly refer to Note C5 for further details.***



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

UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024⁽¹⁾

	Unaudited	Audited
	As at 30.06.2024	As at 31.12.2022
	(RM'000)	(RM'000)
ASSETS		
Non-current assets		
Equipment	78	212
Right-of-use assets	63	316
Other investments	65	65
Total non-current assets	206	593
Current assets		
Trade receivables	1,347	1,399
Contract assets	331	273
Other receivables, deposits, and prepayments	727	960
Amount owing by immediate holding company	10	-
Amount owing by related parties	13	8
Current tax assets	290	324
Fixed deposits with licensed banks	56	379
Cash and bank balances	510	135
Total current assets	3,284	3,478
TOTAL ASSETS	3,490	4,071
EQUITY		
Share capital	16,514	14,506
Merger deficit	(6,105)	(6,105)
Reserves	(10,272)	(8,641)
Equity attributable to owners of the Company	137	(240)
Non-controlling interests	(4,174)	(4,748)
TOTAL EQUITY	(4,037)	(4,988)
LIABILITIES		
Non-current liabilities		
Employee benefits obligation	106	196
Lease liabilities	52	240
Bank borrowings	145	256
Total non-current liabilities	303	692



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

	Unaudited	Audited
	As at 30.06.2024	As at 31.12.2022
	(RM'000)	(RM'000)
Current liabilities		
Trade payables	1,536	1,607
Other payables and accruals	4,204	3,406
Amount owing to a director	292	2,037
Amount owing to ultimate holding company	16	4
Current tax liabilities	76	116
Lease liabilities	6	118
Bank borrowings	1,094	1,079
Total current liabilities	7,224	8,367
TOTAL LIABILITIES	7,527	9,059
TOTAL EQUITY AND LIABILITIES	3,490	4,071
NET ASSETS / (LIABILITIES) PER SHARE⁽²⁾ (RM)	0.0007	(0.0013)

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 as at 31 December 2022 and based on 195,732,908 MCOM Shares as at 30 June 2024.*

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 had been completed on 15 February 2023.

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, it’s 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.



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

UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2024^(1,2)

	Share Capital (RM'000)	Appropriated Legal Reserve (RM'000)	Foreign Exchange Translation Reserve (RM'000)	Fair value Reserve (RM'000)	Merger Deficit (RM'000)	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 2023	14,506	20	105	-	(6,105)	(8,766)	(240)	(4,748)	(4,988)
Total loss for the financial period	-	-	-	-	-	(1,918)	(1,918)	621	(1,297)
Foreign Currency Translation Differences for Foreign Operations	-	-	287	-	-	-	287	(47)	240
Total comprehensive income/(expense) for the financial period	-	-	287	-	-	(1,918)	(1,631)	574	(1,057)
Issuance of shares	2,008	-	-	-	-	-	2,008	-	2,008
Balance as at 30 June 2024	16,514	20	392	-	(6,105)	(10,684)	137	(4,174)	(4,037)

Notes:

- (1) *There is no comparative for the condensed statement of changes in equity for the 18 months interim period ended 30 June 2024, due to change in the financial year end from 30 June to 31 December.*
- (2) *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.*



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

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED
 30 JUNE 2024^(1,2)**

	CUMULATIVE 18- MONTH ENDED
	Unaudited 30.06.2024 RM'000
Cash flows from operating activities	
Loss before taxation	(1,297)
Adjustments for:	
Non-cash items	(667)
Interest expense	149
Interest income	(5)
Operating loss before working capital changes	(1,820)
Decrease in trade and other receivables	1,825
Increase in trade and other payables	701
Cash from operations	706
Income tax paid	(12)
Interest paid	(79)
Net cash from operating activities	615
Cash flows for investing activities	
Interest received	5
Increase in amount owing by immediate holding company	(10)
Increase in amount owing by related parties	(5)
Purchase of equipment	(1)
Net cash for investing activities	(11)



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2024^(1,2)

	CUMULATIVE 18-MONTH ENDED
	Unaudited 30.06.2024 RM'000
Cash flows for financing activities	
Decrease in pledged fixed deposit with licensed banks	323
Interest paid	(70)
Increase in amount owing to ultimate holding company	12
Increase in amount owing to director	263
Repayment of credit card instalments	(19)
Repayment of term loans	(62)
Repayment of lease liabilities	(118)
Net cash from financing activities	329
Net changes in cash and cash equivalents	933
Effects of foreign exchange translation	(544)
Cash and cash equivalents at beginning of the financial period	(869)
Cash and cash equivalents at end of the financial period	(480)
Cash and cash equivalents at end of the financial period comprises of:	
Fixed deposits with a licensed bank	56
Cash and bank balances	510
Bank overdraft	(990)
	(424)
Less: Fixed deposit pledged to licensed bank	(56)
	(480)

Notes:

- (1) *There is no comparative for the condensed statements of cash flows for the 18 months interim period ended 30 June 2024, due to change in the financial year end from 31 December to 30 June.*
- (2) *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.*



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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

Basis of Preparation

The condensed consolidated interim financial statements as contained in this interim financial report are unaudited and have been prepared under the historical cost convention method unless otherwise stated. Any discrepancies in the tables between the amounts listed and the totals in this interim report are due to rounding.

These unaudited interim consolidated financial statements have been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“**MASB**”) and Part C, Rule 6.12 and Appendix 6A of the LEAP Market Listing Requirements issued by Bursa Securities.

These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to this interim financial report. The explanatory notes contained herein provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

A2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of the unaudited consolidated interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2022, except for the adoption of the following MFRSs and Amendments to MFRSs as disclosed below:

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*
- Amendments to MFRS 107 and MFRS 7: *Supplier Finance Arrangements*

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



MCOM HOLDINGS BERHAD

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

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 2025

- Amendments to MFRS 121: *Lack of Exchangeability*

Effective for annual periods commencing on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7: *Amendments to the Classification and Measurement of Financial Instruments*

Effective for annual periods commencing on or after 1 January 2027

- MFRS 18: *Presentation and Disclosure in Financial Statements*
- MFRS 19: *Subsidiaries without Public Accountability - Disclosures*

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*

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 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors of the Group had expressed an unqualified opinion with material uncertainty related to going concern for the financial year ended 31 December 2022 annual audited consolidated financial statements.

A4 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.

A5 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.

A6 MATERIAL CHANGES IN ESTIMATES

There were no changes in estimates during the period ended 30 June 2024.

A7 DEBTS AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial period.



MCOM HOLDINGS BERHAD

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

A8 SEGMENTAL INFORMATION

(i) Analysis of revenue by services

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 18-MONTH ENDED	
	30.06.2024		30.06.2024	
	RM'000	%	RM'000	%
Mobile payment solutions	180	98.90	941	99.16
Mobile advertising platform	2	1.10	8	0.84
Total	182	100.00	949	100.00

(ii) Analysis of revenue by geographical location

	INDIVIDUAL 6-MONTH ENDED		CUMULATIVE 18-MONTH ENDED	
	30.06.2024		30.06.2024	
	RM'000	%	RM'000	%
Malaysia	16	8.79	41	4.32
Thailand	164	90.11	900	94.84
Hong Kong	2	1.10	8	0.84
Total	182	100.00	949	100.00

The Group recorded a revenue of RM0.95 million during the 18-month period ended 30 June 2024, which was contributed by the mobile payment solutions and mobile advertising platform with revenue contribution of 99.16% and 0.84% respectively.



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

A9 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

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

A10 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

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 is no capital commitment as at the date of this interim financial report.



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

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

B1 REVIEW OF PERFORMANCE

Our Group's total revenue stood at RM0.18 million and RM0.95 million for the current quarter and financial period under review respectively, derived from our provision of mobile payment solutions and mobile advertising platform business segments.

Our Group's gross profit stood at RM0.13 million and RM0.65 million for the current quarter and financial period under review respectively, derived from our provision of mobile payment solutions and mobile advertising platform business segments.

B2 PROSPECTS OF THE COMPANY

The Board anticipates that the Group's operations will remain challenging in year 2024 due to the uncertainty of the global economy as well as the current challenges the Group is facing. The Group is of the view that its mobile payment solutions and mobile advertising platform will remain as its core competency and provide the fundamental of its operation.

Additionally, the Group is actively seeking new business opportunities to expand its services and adapt to new technologies to further improve its existing services to achieve a sustainable and profitable position for the Group.

The Board remains dedicated and will strive to turnaround the Group's financial performance and position.

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.



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

C OTHER INFORMATION

C1 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 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 Chew Lee Poh ("CLP"), the Executive Director of the Company to settle the amount owing to CPL via the issuance of 7,173,000 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 had been completed on 15 February 2023, as at the date of this interim financial report.

There was no other corporate proposal during the financial period under review apart from the abovementioned.



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 30.06.2024 (RM'000)	Audited As at 31.12.2022 (RM'000)
<u>Non-current liabilities</u>		
Bank borrowings:		
- Credit card instalments	31	75
- Term loan	114	181
Lease liabilities	52	240
Total	197	496
<u>Current liabilities</u>		
Bank borrowing:		
- Credit card instalments	67	43
- Term loan	37	32
- Bank overdraft	990	1,004
Lease liabilities	6	118
Total	1,100	1,197

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

C3 MATERIAL LITIGATION

Kindly refer to announcements made on 07 March 2024 and 11 March 2024.

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.



MCOM HOLDINGS BERHAD

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

(Incorporated in Malaysia)

C5 LOSS PER SHARE

	INDIVIDUAL 6-MONTH ENDED 30.06.2024	CUMULATIVE 18-MONTH ENDED 30.06.2024
Loss attributable to owners of the Company (RM'000)	(418)	(1,918)
Weighted average number of MCOM Shares at end of period ('000)	195,733	194,763
Loss per ordinary share (sen)	(0.21)	(0.98)

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.