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FIBROMAT (M) BERHAD

(Registration No. 201201037651 (1022133-V))
(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act 2016)

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 2ND HALF-YEAR FINANCIAL PERIOD ENDED 31 DECEMBER 2019

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 FIBROMAT (M) BERHAD ("FIBROMAT" 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.

FIBROMAT (M) BERHAD
(Registration No: 201201037651 (1022133-V))
(Incorporated in Malaysia under the Companies Act, 1965)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019[(1)]

	Unaudited as at 31 December 2019	Unaudited as at 31 December 2018 [(2)]
	RM'000	**RM'000**
ASSETS		
Non-current assets		
Property, plant and equipment	16,174	N/A
Rights to use asset	4,103	N/A
Investment property	1,027	N/A
Investment in Subsidiary	-	N/A
Deferred tax assets	-	N/A
Total Non-current assets	**21,304**	N/A
Current assets		
Inventories	13,103	N/A
Trade and other receivables	12,791	N/A
Contract assets	723	N/A
Current tax assets	1,708	N/A
Cash and bank balances	3,747	N/A
Asset held for sales	2,707	N/A
Total Current assets	**34,779**	N/A
TOTAL ASSETS	**56,083**	N/A
EQUITY AND LIABILITIES		
Equity attributable to common controlling shareholders of the combining entities		
Share capital	44,700	N/A
Merger reserve	(31,936)	N/A
Retained earnings	21,572	N/A
TOTAL EQUITY	**34,336**	N/A
LIABILITIES		
Non-current liabilities		
Borrowings	5,231	N/A
Deferred Tax Liability	61	N/A
Lease Liability	654	N/A
Total Non-current liabilities	**5,946**	N/A
Current liabilities		
Trade and other payables	8,438	N/A
Borrowings	5,516	N/A
Current tax liabilities	-	N/A

Leases liability	430	N/A
Contract Liability	1,417	
Total Current liabilities	**15,801**	N/A
TOTAL LIABILITIES	**21,747**	N/A
TOTAL EQUITY AND LIABILITIES	**56,083**	N/A
Net assets per ordinary share (RM)*(3)*	0.16	N/A

Notes:

1. *The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position is disclosed in Note A1 and should be read in conjunction with the Auditors' Report and Combined Financial Statements as disclosed in the Information Memorandum of the Company dated 12 April 2019 in relation to the placement of 21,600,000 ordinary shares in the Company at an issue price of RM0.29 per share ("**Placement**") in conjunction with its listing on the LEAP Market of Bursa Malaysia Securities Berhad ("**Listing**") ("**Information Memorandum**") and the accompanying explanatory notes attached to this interim financial report.*

2. *No comparative figures for the preceding year are available as this is the Company's first financial report on its consolidated results for the period ended 31 December 2019 announced in compliance with the LEAP Market Listing Requirements of Bursa Securities ("**Listing Requirements**").*

3. *Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting period of 216,000,000 shares.*

N/A – Not Applicable

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FIBROMAT (M) BERHAD
(Registration No: 201201037651 (1022133-V))
(Incorporated in Malaysia under the Companies Act, 1965)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 2ND HALF YEAR ENDED 31 DECEMBER 2019 *(1)*

	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Revenue	16,639	N/A	41,681	N/A
Cost of sales	(17,144)	N/A	(36,421)	N/A
Gross profit/(loss)	(505)	N/A	5,260	N/A
Other operating income/(loss)	275	N/A	159	N/A
Administration expenses	(2,110)	N/A	(4,977)	N/A
Selling and distribution costs	(1,598)	N/A	(2,069)	N/A
Finance costs	(443)	N/A	(1,186)	N/A
Profit/(loss) before tax	(4,381)	N/A	(2,813)	N/A
Tax expense	500	N/A	(67)	N/A
Profit/(loss) for the financial year	(3,881)	N/A	(2,880)	N/A
Other comprehensive income, net of tax	-		-	
Total comprehensive income	(3,881)	N/A	(2,880)	N/A
Attributable to equity holders of the Company:				
-Basic (loss) per share (sen) *(3)*	(1.80)	N/A	(1.33)	N/A
-Diluted (loss) per share(sen) *(4)*	(1.80)	N/A	(1.33)	N/A

Notes:

1. *The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Auditors' Report and Combined Financial Statements as disclosed in the Information Memorandum and the accompanying explanatory notes attached to this interim report.*

2. *No comparative figures for the preceding year are available as this is the Group's first financial report on its consolidated results for the 2nd half-year ended 31 December 2019 announced in compliance with the Listing Requirements.*

3. *Basic earnings per share is calculated based on the profit after tax divided by Company's share capital of 216,000,000 ordinary shares as at 31 December 2019.*

4. *Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.*

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FIBROMAT (M) BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2ND HALF-YEAR ENDED 31 DECEMBER 2019(1)

	Share Capital RM'000	Retained Earnings RM'000	Merger Reserve RM'000	Total Equity RM'000
As at 31.12.2018	*(2)	-	-	-
Issuance of ordinary shares	44,700	-		44.700
Effect of acquisition of subsidiaries	-	24,452	(31,936)	(7,484)
Total Comprehensive income for the half year	-	(2,880)	-	(2,880)
As at 31.12.2019	44,700	21,572	(31,936)	34,336

Notes:

1. *The basis of preparation of the Unaudited Condensed Consolidated Statements of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Auditors' Report and Combined Financial Statements as disclosed in the Information Memorandum and the accompanying explanatory notes attached to this interim report.*
2. *RM 3 initial ordinary share before acquisition of its subsidiary; MTS Fibromat (M) Sdn Bhd.*

FIBROMAT (M) BERHAD
(Registration No: 201201037651 (1022133-V))
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 2ND HALF-YEAR ENDED 31 DECEMBER 2019 (1)

	12 months ended 31 December 2019 RM'000	12 months ended 31 December 2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	(2,813)	N/A
Adjustments for:		
Depreciation of property, plant and equipment	1,638	N/A
Impairment losses on trade receivables	958	N/A
Interest expense	1,135	N/A
(Gain)/Loss on disposals of property, plant and equipment	10	N/A
Reversal of inventories written down	(111)	N/A
Reversal of impairment losses on trade receivables	(467)	N/A
Unrealised gain on foreign exchange, net	(43)	N/A
Operating profit before changes in working capital	307	N/A
Changes in working capital:		
(Increase)/Decrease Inventories	(2,297)	N/A
(Increase)/Decrease Trade and other receivables	10,513	N/A
(Increase)/Decrease Contract asset	1,439	N/A
Increase/(Decrease) Contract liability	443	N/A
Increase/(Decrease) Trade and other payables	(7,395)	N/A
Cash generated from operations	3,010	N/A
Tax refund	999	N/A
Tax paid	(1,726)	N/A
Net cash from operating activities	2,283	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(277)	N/A
Proceeds from issuance of share capital	6,264	N/A
Proceeds from disposals of property, plant and equipment	55	N/A
Net cash used in investing activities	6,042	N/A

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 2ND HALF-YEAR ENDED 31 DECEMBER 2019[(1)] *(continue)*

	12 months ended 31 December 2019 RM'000	12 month ended 31 December 2018 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(1,135)	N/A
Drawdown of term loans	1,390	N/A
Drawdown of banker's acceptance	1,074	N/A
Repayments of:		
- hire purchase liabilities	(601)	N/A
- banker acceptance	(3,746)	
- term loans	(3,503)	N/A
Net cash from/(used in) financing activities	(6,521)	N/A
Net increase/(decrease) in cash and cash equivalents	1,804	N/A
Effect of exchange rate changes	42	N/A
Cash and cash equivalents at beginning of financial year	(385)	N/A
Cash and cash equivalents at end of financial period	1,461[(2)]	N/A

Note:
1. *The basis of preparation of the Unaudited Condensed Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Auditors' Report and Combined Financial Statements as disclosed in the Information Memorandum and the accompanying explanatory notes attached to this interim report.*
2. *The basis of preparation of cash and cash equivalents at the end of financial period is disclosed in Note A.7.*

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A. NOTES TO THE FINANCIAL REPORT

A.1 Basis of Preparation

The interim financial report of **Fibromat** and its subsidiary ("**the Group**") are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("**MFRS**") 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board (**"MASB"**) and Rule 6.12 and Appendix 6A of the Listing Requirements.

This is the interim financial report on the Company's unaudited condensed consolidated financial results for the 2nd half year ended 31 December 2019 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.

The interim report should be read in conjunction with the Auditors' Report as disclosed in the Information Memorandum and the accompanying explanatory notes attached to the interim financial report.

A.2 Significant Accounting Policies

The accounting policies and presentation adopted for the interim financial statements are consistent with those adopted as disclosed in the Auditors' Report in the Information Memorandum.

At the beginning of the current financial year, the Group adopted amendments/improvements to MFRS and the Issues Committee (**"IC"**) Interpretation which are mandatory for the financial periods beginning on or after 1 January 2017.

New MFRSs adopted during the financial year

The Group adopted the following Standards of the MFRS Framework that were issued by the **MASB** during the financial years:

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group:

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Title	Effective Date
MFRS 16 *Leases*	1 January 2019
IC Interpretation 23 *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*	1 January 2019
Amendments to MFRS 3 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 11 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 112 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 123 *Annual Improvements to MFRS Standards 2015 - 2017 Cycle*	1 January 2019
Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*	1 January 2019
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Amendments to MFRS 3 *Definition of a Business*	1 January 2020
Amendments to MFRS 101 and MFRS 108 *Definition of Material*	1 January 2020
MFRS 17 *Insurance Contracts*	1 January 2021
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group is in the process of assessing the impact of implementing these Standards since the effects would only be observable for the future financial years.

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on this unaudited financial statement of the Group upon their initial application except as follows:

1. MFRS 9 replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous version of MFRS 9. MFRS 9 being together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

   The Group and the Company plan to adopt the new standard on the required effective date and will not restate comparative information. During the current financial year, the Group and the Company had performed a detailed impact assessment of all three aspects of MFRS 9. This assessment is based on currently available information and may subject to changes arising from further reasonable and supportable information being made available to the Company in the next financial year when the Group and the Company will adopt MFRS 9. Overall, the Group and the Company expect no significant impact on their statements of financial position and equity.

(i) Classification and measurement of financial assets

Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group and the Company analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under MFRS 9. Therefore, reclassification for these instruments is not required.

(ii) Impairment of financial assets

MFRS 9 requires the Group and the Company to record expected credit losses on all of its loans and receivables, either on a 12-month or lifetime basis. The Company will apply the simplified approach and record lifetime expected losses on all trade receivables. The Group and the Company have determined that the loss allowance is insignificant to the financial statements.

2. MFRS 15 established a five-step model to account for revenue arising from contracts with customers. Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under MFRS. Either a retrospective application or a cumulative effect application is required for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Group plans to adopt the new standard on the required effective date using the cumulative effect method. During the financial year, the Group performed a detailed analysis of MFRS 15

(i) Sales of goods

For contracts with customers in which the sales of goods is generally expected to be the only performance obligation, adoption of MFRS 15 is not expected to have any impact on the Group's revenue and profit or loss. The Group expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

In preparing to adopt MFRS 15, the Group has considered variable consideration and rights of return and expects that the adoption of MFRS 15 will not have a significant impact to the financial statements.

(ii) Presentation and disclosure requirements

The presentation and disclosure requirements in MFRS 15 are more detailed than under current MFRS. The presentation requirements represent a significant change from current practise and significantly increases the volume of disclosures required in the Group's financial statements. Many of the disclosure requirements in MFRS 15 are new and the Group has assessed that the impact of some of these disclosure requirements will be significant.

(iii) Other adjustments

In addition to the major adjustments described above, the recognition and measurement requirements in MFRS 15 are also applicable for recognition and measurement of any gains or losses on disposal of non-financial assets (such as items of property, plant and equipment), when that disposal is not in the ordinary course of business. However, on transition, the effect of these changes is not expected to be material for the Group.

In summary, the Group expects no significant impact of MFRS 15 adoption other than additional disclosures.

A.3 Seasonal or Cyclicals Factors

The Group does not experience significant fluctuations in operations due to seasonal factors or cyclical factors during the current financial period under review and the financial year under review.

A.4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The board of directors of Fibromat (M) Bhd (**"Board"**) is not aware of any items or incidence of an unusual nature not otherwise dealt with us in this report which may or has substantially affected the value of assets, liabilities, equity, net income or cash flows of the Group for the current financial period under review.

A.5 Material Changes in Estimates

There were no changes in estimates that had a material effect in the current financial period under review.

A.6 Debt and Equity Securities

On 4 April 2019, the Company entered into a conditional share sale agreement with the vendors of MTS Fibromat (**"MTS Fibromat"**) to acquire the entire equity interest in the respective companies. The acquisition was completed on 4 April 2019.

Acquisition of 6,500,000 ordinary shares of MTS Fibromat for a purchase consideration of RM38,435,997 satisfied via the issuance of 194,399,985 Shares to the Vendors at an issue price of approximately RM0.20 each, which was completed on 11 April 2019

On 23 May 2019, the Company issued 21,600,000 new ordinary shares at an issue price of RM0.29 per share in conjunction with the Listing. Subsequently, on 30 May 2019, the Company's entire enlarged issued share capital of RM44,700,000 comprising of 216,000,000 ordinary shares were listed on the LEAP Market of Bursa Securities.

Save as disclosed above, there were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year:

A.7 Breakdown of Cash and Cash Equivalents

	Cumulative 12 months ended	
	31 December 2019 RM'000	**31 December 2018 RM'000**
Cash and bank balances	2,640	N/A
Deposit with licensed banks	1,107	N/A
As reported in the financial position	3,747	N/A
Less:		
Bank Overdraft	(1,179)	N/A
Deposits pledged to licensed banks	(1,107)	N/A
Cash and cash equivalents included in statement of cash flows	1,461	N/A

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A.8 Operating Segmental

The Group's revenue based on its activities are presented as follows:

Operating segments

Revenue	Individual 6 months ended		Cumulative 12 months ended	
	31.12.2019	**31.12.2018**	**31.12.2019**	**31.12.2018**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Design & installation services	5,540	N/A	10,100	N/A
Trading	6,159	N/A	21,217	N/A
Manufacturing	4,940	N/A	10,364	N/A
Total	**16,639**	N/A	**41,681**	N/A

Note:

1. *This is the Group's first financial report on the Company's Unaudited Condensed Consolidated financial results for the 2nd half-year ended 31 December 2019 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year's corresponding period.*

A.9 Changes in the Composition of the Group

Save as disclosed in the Section 1.2 of the Information Memorandum and Note A.6 above, there were no changes in the composition of the Group for the current financial period

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A.10 Interest bearing loans and borrowings

31 December 2019

	Term Loan RM'000	Bank Acceptance RM'000	Hire Purchase RM'000	Total RM'000
Minimum Lease payments:				
-within 1 year	5,135	1,074	477	6,686
-after 1 year but less than 5 years	6,528	-	691	7,219
Less: Interest in suspense	(3,169)	-	(84)	(3,253)
	8,494	**1,074**	**1,084**	**10,652**
Present Value of lease payments:				
-within 1 year	3,263	1,074	430	4,767
-after 1 year but less than 5 years	5,231	-	654	5,885
	8,494	**1,074**	**1,084**	**10,652**

31 December 2018

Minimum Lease payments:	Term Loan	Bank Acceptance	Hire Purchase	Total
-within 1 year	N/A	N/A	N/A	N/A
-after 1 year but less than 5 years	N/A	N/A	N/A	N/A
Less: Interest in suspense	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
Present Value of lease payments:				
-within 1 year	N/A	N/A	N/A	N/A
-after 1 year but less than 5 years	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A

A.11 Changes in the Composition of the Group

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

A.12 Changes In Contingent Assets And Contingent Liabilities

There were no material changes in contingent liabilities and assets as at the end of the financial period under review.

A.13 Material Events Subsequent To The End of The Financial Period

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

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B. ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B.1 Review of Performance

The Group recorded a revenue of RM41.68 million and gross profit RM5.26 million, which contributes to 12.62% gross profit margin for the financial year ended 31 December 2019. Fibromat has three (3) revenue segments, namely; manufacturing segment, trading segment and design & installation segment with revenue contributed of RM10.36 million, RM21.22 million and RM10.10 million.

No comparative figures for the preceding half-year are available as this is the Company's first financial report on its consolidated results for the twelve months financial period ended 31 December 2019 being announced in compliance with the Listing Requirements.

However, having said that, the group has previously announced its Combined Financial Statement for the Financial Year End 31 December 2018 on 30th May 2019. In comparison to the financial period ended (FPE) 31 December 2018, the group has stated a revenue of RM 61.27 million and gross profit RM 10.34 million, which contributes to 16.87% gross profit margin.

Which this has shown that the group financial year end 31 December 2019 has recorded a decline of 31.9% in revenue and 49% for gross profit, which contributes to lowering of profit margin by 4.25% as compared to financial period ended (FPE) 31 December 2018.

This is mainly contributed from the Design & Installation segment and was mainly due to timing factor in project certification and decline in project claim submission. Most of the project during the period is still on-going process. Which this will be reflected in the year 2020 financial result. At the same time, during the financial period the management has taken a cautious measure in entering into project agreement due to the difficult conditions in the construction industry, which offers slim profit margin.

During the financial year 2019, trading segment stated the highest contribution with revenue of RM 21.22 million following with manufacturing segment RM 10.36 million and design & installation segment RM 10.11 million. Comparing to previous year, design & installation contributed RM 32.05 million which the segment has shown a decrease of revenue by 68%. Manufacturing segment state an increase of 50% whereby 30% from the increment is contributed by our new manufacturing line producing Prefabricated Vertical Drain product (PVD).

The Group's loss before tax for the financial year ended 31 December 2019 is RM2.80 million and the loss after tax of RM2.87 million with a tax expense of RM0.70 million. This translated to a loss per share of 1.30 sen for the period.

The losses of the Group were attributable to the following:
1) Listing expenses of RM980,153 incurred during the year.
2) Substantial decline in revenue due to the difficult economic conditions. Hence, the company unable to achieve better economies of scale.
3) Lower profit margins due to competitive environment as infrastructure projects dry up.
4) High impairment of doubtful debts due to the slower payment by debtors.
5) Slower progress and deferment of projects resulting in lower recognition of revenue.

B.2 Prospects

The economic condition continues to be challenging. In times of uncertainty of the market situation, the Company has to focus its attention on increasing revenue while implementing cost cutting measures in further maintaining its competitiveness and efficiency.

B.3 Variance of Actual Profit From Profit Forecast and Profit Guarantee

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

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C. OTHER INFORMATION

C.1 Status of Corporate Proposals

On 14 November 2019, the Company had announced that MTS Fibromat had entered into a Sale and Purchase Agreement ("SPA"), in regard to the disposal of a single storey and adjacent with a double story office factory located at PT 9857, Jalan Kenaga 2, Seksyen 2, 48300 Rawang, Selangor, with the postal address of 2, Jalan Kenanga 2, Seksyen BB11, 48300 Bandar Bukit Beruntung, Selangor ("the Property") for a total sale consideration of RM7,000,000 ("Proposed Disposal") .

Save from the above, there are no other corporate proposals announced but pending completion as at the date of this report.

C.2 Utilisation of Proceeds

The status of the utilisation of proceeds from the Placement of RM6.26 million is as follows:

Purpose	**Proposed Utilisation**	**Actual Utilisation[1]**	**Deviation**	**Balance**	**Estimated timeframe for utilisation upon Listing**
	RM'000	**RM'000**	**RM'000**	**RM'000**	
General working capital	5,064	(5,064)	-	-	Within 12 months
Estimated Proposed Listing expenses	1,200	(1,200)	-	-	Within 6 months

Note:
1. Utilisation as at 31 December 2019

C.3 Material litigation

There is no material litigation pending as at the date of this report.

C.4 Dividends

There are no material dividends declared or proposed as at the date of this report.