

DYNACIATE GROUP BERHAD 200601012544 (732294-W)

(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2020**

	As at 29-Feb-20 Unaudited RM'000	As at 30-Nov-19 Audited RM'000
Assets		
Non-current assets		
Property, plant and equipment	6,830	7,100
Investment properties	40,650	40,650
Investment in associates	4,915	4,915
Total non-current assets	<u>52,395</u>	<u>52,665</u>
Current assets		
Inventories	228	173
Trade and other receivables	43,636	41,508
Current tax assets	143	57
Contract assets	11,631	9,175
Cash and cash equivalents	2,200	6,043
Total current assets	<u>57,838</u>	<u>56,956</u>
Total assets	<u>110,233</u>	<u>109,621</u>
Equity		
Share capital	74,120	71,806
Reserves	(26,157)	(23,065)
Total equity attributable to owners of the Company	<u>47,963</u>	<u>48,741</u>
Non-controlling interests	6,000	6,000
Total equity	<u>53,963</u>	<u>54,741</u>
Liabilities		
Non-current liabilities		
Loans and borrowings	8,177	8,346
Total non-current liabilities	<u>8,177</u>	<u>8,346</u>
Current liabilities		
Loans and borrowings	12,216	9,191
Trade and other payables	33,298	33,908
Contract liabilities	2,579	3,435
Total current liabilities	<u>48,093</u>	<u>46,534</u>
Total liabilities	<u>56,270</u>	<u>54,880</u>
Total equity and liabilities	<u>110,233</u>	<u>109,621</u>
Net assets per ordinary share attributable to owners of the Company (sen)	8.94	10.15

The unaudited Condensed Consolidated Statement of financial position should be read in conjunction with the Audited Financial Statements for the financial period ended 30 November 2019 with the accompanying explanatory notes attached to the financial statements.

CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 29 FEB 2020

	Individual period		Cumulative period	
	Current year- quarter-ended 29-Feb-20 RM'000	Preceding year corresponding quarter ended 28-Feb-19 RM'000	Current year- to-date 29-Feb-20 RM'000	Preceding year corresponding period ended 28-Feb-19 RM'000
Revenue	21,665	N/A	21,665	N/A
Cost of sales	(20,297)	N/A	(20,297)	N/A
Gross profit	<u>1,368</u>	N/A	<u>1,368</u>	N/A
Administrative expenses	(1,911)	N/A	(1,911)	N/A
Other operating expenses	(308)	N/A	(308)	N/A
Other operating income	683	N/A	683	N/A
Finance costs	(610)	N/A	(610)	N/A
Loss before taxation	<u>(778)</u>	N/A	<u>(778)</u>	N/A
Income tax expense	-	N/A	-	N/A
Loss after taxation	<u>(778)</u>	N/A	<u>(778)</u>	N/A
Total comprehensive expenses for the financial period	<u><u>(778)</u></u>	<u>N/A</u>	<u><u>(778)</u></u>	<u>N/A</u>
Loss after taxation attributable to:				
Owners of the Company	(778)	N/A	(778)	N/A
Non-controlling interests	-	N/A	-	N/A
	<u>(778)</u>	<u>N/A</u>	<u>(778)</u>	<u>N/A</u>
Total comprehensive expenses attributable to:				
Owners of the Company	(778)	N/A	(778)	N/A
Loss per ordinary share (sen):				
Basic	(0.15)	N/A	(0.15)	N/A
Diluted	N/A	N/A	N/A	N/A

There are no comparative figure with the preceeding quarter / period ended 29 February 2020 due to change in financial year end to 30 November 2019.

The unaudited Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial period ended 30 November 2019 with the accompanying explanatory notes attached to the financial statements.

DYNACIATE GROUP BERHAD 200601012544 (732294-W)
(Incorporated in Malaysia)

CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2020

	----- Attributable to owners of the Company -----								
	----- Non-distributable -----								
	Share capital RM'000	Capital Reserve RM'000	Reverse Acquisition Reserve RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Retained profits / (Accumulated losses) RM'000	Total RM'000	Non-controlling interest RM'000	Total Equity RM'000
At 1 December 2019	71,806	(8,518)	(53,300)	-	13,718	25,035	48,741	6,000	54,741
Loss for the financial period	-	-	-	-	-	(778)	(778)	-	(778)
Transactions with owners of the Company									
Effect of conversion of ICPS	2,314	(2,314)	-	-	-	-	-	-	-
Total transactions with owners	2,314	(2,314)	-	-	-	-	-	-	-
At 29 February 2020	74,120	(10,832)	(53,300)	-	13,718	24,257	47,963	6,000	53,963
At 1 June 2018	84,681	-	(53,300)	16,571	-	(26,049)	21,903	6,000	27,903
Adjustment on MFRS 9	-	-	-	-	-	(465)	(465)	-	(465)
Loss for the financial period	-	-	-	-	-	(15,101)	(15,101)	-	(15,101)
- Issuance of shares pursuant to conversion of ICPS	36,919	-	-	-	-	-	36,919	-	36,919
Effect of conversion of ICPS	(16,941)	(8,824)	-	-	-	-	(25,765)	-	(25,765)
- Issuance of shares pursuant to exercise of warrants	224	306	-	-	(306)	-	224	-	224
There are no comparative figure with the preceeding quarter /	47,125	(8,518)	-	-	13,718	-	52,325	-	52,325
- Share capital reduction	(60,000)	-	-	-	-	60,000	-	-	-
Realisation of revaluation reserve surplus on:									
- impairment on land and buildings	-	-	-	(9,921)	-	-	(9,921)	-	(9,921)
- disposal of assets held for sale	-	-	-	(6,650)	-	6,650	-	-	-
At 30 November 2019	71,806	(8,518)	(53,300)	-	13,718	25,035	48,741	6,000	54,741

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial period ended 30 November 2019 with the accompanying explanatory notes attached to the financial statements.

CONDENSED INTERIM FINANCIAL STATEMENT
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 29 FEBRUARY 2020

	Current period-to-date ended 29-Feb-20
	RM'000
Cash flows from operating activities	
Loss before tax	(778)
Adjustments for:	
Depreciation on property, plant and equipment	270
Interest expense	610
(Gain)/Loss on disposal of:	
- property, plant and equipment	(364)
Interest income	(15)
Reversal of impairment of other receivables	(121)
	(398)
Operating loss before working capital changes	(398)
Changes in working capital:	
Increase in inventories	(55)
Increase in trade and other receivables	(2,006)
Increase in contract assets	(2,457)
Decrease in trade and other payables	(32)
Decrease in contract liabilities	(855)
Cash generated used in from operations	(5,803)
Income taxes paid	(86)
Net cash used in operating activities	(5,889)
Proceeds from disposal of:	
- property, plant and equipment	364
Interest received	15
Net cash from investing activities	379
Cash flows from financing activities	
Repayment to Director	(578)
Interest paid	(610)
Drawdown of banker acceptance	4,048
Repayment of finance lease liabilities	(174)
Net cash from financing activities	2,686
Net decrease in cash and cash equivalents	(2,824)
Cash and cash equivalents as at beginning of financial period	894
Cash and cash equivalents as at end of financial period	(1,930)
Cash and cash equivalents comprise of:-	
Cash and bank balances	2,200
Bank overdrafts	(4,130)
Cash and cash equivalents	(1,930)

There are no comparative figure available due to change in financial year end to 30 November 2019.

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial period ended 30 November 2019 with the accompanying explanatory notes attached to the financial statements.

NOTE TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 29 FEBRUARY 2020

PART A: SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting in Malaysia and with IAS34, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial period ended 30 November 2019. These explanatory notes attached to the interim financial statements 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 period ended 30 November 2019.

The following are accounting standard and amendments of MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 3, *Business Combinations - Definition of a Business*
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material*
- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement* and MFRS 7, *Financial Instruments: Disclosures - Interest Rate Benchmark Reform*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendment to MFRS 101, *Presentation of Financial Statement - Classification of Liabilities as Current or Non-Current*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned amendments, where applicable, in the respective financial years when the above amendments become effective.

The Group does not plan to apply MFRS 17, *Insurance Contracts* that is effective for annual periods beginning on or after 1 January 2021 as it is not applicable to the Group and the Company.

A2. Qualification of financial statements

The auditor's report on the audited financial statements for the financial period ended 30 November 2019 was not qualified.

A3. Seasonal and cyclical factors

The business operations of the Group are not subject to seasonal or cyclical factors.

A4. Exceptional and extraordinary items

There were no items affecting assets, liabilities, equity, net income or cash flows that are exceptional or extraordinary due to their nature, size or incidence affecting the interim financial report.

A5. Changes in accounting estimates

There were no changes in estimates that had a material effect on the current quarter and period-to-date results.

A6. Debt and Equity Securities

On 3 January 2019, the Company announced that the Rights Issue of Irredeemable Convertible Preference Shares ("ICPS") with Warrants was completed with the listing of 682,453,608 ICPS together with 85,306,696 Warrants on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

A total of 56,321,300 Dynaciate Shares were issued and allotted on the following dates pursuant to the conversion of 112,642,600 ICPS by virtue of 2 ICPS into 1 new Dynaciate Share.

Allotment date	No. of ICPS	No. of Dynaciate Shares
16.12.2019	72,482,400	36,241,200
18.12.2019	23,285,000	11,642,500
18.12.2019	16,875,200	8,437,600
Total	112,642,600	56,321,300

Save for the above, there was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities since the last quarter reporting date.

A7. Dividend Paid

No dividend was paid by the Company in the current quarter.

A8. Segmental information

The Group is principally engaged in the business segments of:

- (a) Steel Division – Manufacturing and trading of stainless-steel pipes, tubes and bars, electro-galvanized steel, perforated metal products and other ferrous and non-ferrous metal products; and
- (b) Construction Division - Civil, main mechanical, architectural, piping pre-fabrication and installation works.

The Group operates principally in Malaysia.

A8. Segmental information (Cont'd)

	Investment Holding RM'000	Steel RM'000	Construction RM'000	The Group RM'000
Financial period ended 29.2.2020				
External revenue	-	1,911	19,754	21,665
Results				
Loss before following adjustments:-	(596)	(163)	360	(399)
Reversal of impairment of other receivables	-	-	121	121
Interest income	1	-	14	15
Gain on disposal of plant and equipment	-	364	-	364
Depreciation of property, plant and equipment	-	(4)	(266)	(270)
	(595)	197	229	(169)
Finance costs				(610)
Taxation				-
Loss after taxation				(778)
As at 29.2.2020				
Assets				
Segment assets	40,361	7,669	62,060	110,090
Unallocated assets				143
Consolidated total assets				110,233
Liabilities				
Segment liabilities	9,199	8,956	38,115	56,270
Unallocated liabilities				-
Consolidated total liabilities				59,542

Revenue analysed by geographical location of customers are as follows:-

	Current year- to-date ended 29.2.2020 RM'000	Preceding year- to-date ended 29.2.2020 # RM'000
Malaysia	20,275	N/A
Asia (excluding Malaysia)	332	N/A
Europe	582	N/A
	21,665	N/A

Note: # There are no comparative figures with the preceding year-to-date due to the change in financial year end to 30 November 2019.

A9. Material events subsequent to the end of the interim period

- (a) On 18 October 2019, a wholly-owned subsidiary, Dynaciate SPI Sdn. Bhd. (“DSPI”) had entered into a conditional sale and purchase agreement (“SPA”) with Mgudang Sdn. Bhd. (a wholly-owned subsidiary of MMAG Holdings Berhad) (“MGudang”) for the proposed disposal of 2 parcels of contiguous freehold land together with all buildings erected thereon, which are located at Kawasan Perusahaan Valdor, for a total cash consideration of RM41.00 million (“Proposed Disposal”).

On 6 January 2020, a circular in relation to the Proposed Disposal was circulated to shareholders and the Proposed Disposal was approved by shareholders at the extraordinary general meeting held on 21 January 2020.

On 22 April 2020, DSPI has entered into a Supplemental Agreement with MGudang to vary the SPA to allow the Purchaser to defer the 2nd payment tranche of RM8.2 million to within twelve (12) months (instead of the original six (6) months) from the date of the SPA (on or before 18 October 2020) or upon fulfillment of all the conditions precedent as set forth in the SPA, whichever is later and upon full payment thereof, the delivery of vacant possession of the Property free from encumbrances to the Purchaser.

- (b) On 16 March 2020, an application for an extension of time for DGB to complete the implementation of the Proposed Private Placement announced on 25 September 2019 has been submitted to Bursa Securities. Bursa Securities had vide its letter dated 23 March 2020 granted DGB an extension of time of six (6) months from 6 April 2020 to 6 October 2020 to complete the Proposed Private Placement.

On 11 June 2020, DGB has allotted and issued 53,645,900 DGB Shares at the issue price of RM0.048 per share pursuant to the Proposed Private Placement. The listing of 53,645,900 DGB Shares marks the completion of the Proposed Private Placement.

- (c) On 12 February 2020, DSPI had entered into conditional SPAs with the following parties:-

(i) Dynaciate Engineering Sdn. Bhd.

- (1) to acquire a piece of leasehold industrial land located in Johor Bahru, State of Johor together with a factory erected thereon for a cash consideration of RM16,000,000; and
- (2) to acquire machineries and equipment for a cash consideration of RM1,786,431;

(ii) Dynaciate (Kuantan) Sdn. Bhd.

to acquire a piece of leasehold industrial land located in Kuantan, State of Pahang together with a factory erected thereon for a cash consideration of RM9,000,000.

(Collectively, the “**Proposed Acquisition**”)

The total cash consideration for the Proposed Acquisition is RM26,786,431.

On 28 May 2020, a circular in relation to the Proposed Acquisition was circulated to shareholders and the Proposed Acquisition was approved by shareholders at the extraordinary general meeting held on 22 June 2020.

Except as disclosed above, there were no other material events subsequent to the end of the interim period under review.

A10. Changes in composition of the Group for the financial period ended 30 November 2019

- (a) On 17 February 2020, DSPI has disposed 40% of the equity interest in PT. Indo Bestinox Industri (“PIBI”) for a total cash consideration of RM100 to Siah Chin Pin. Upon completion of the disposal, the Company ceased to have any interest in PIBI.
- (b) On 27 May 2020, the Company disposed of its entire 100% equity interest in Superinox Maz Fittings Industry Sdn. Bhd. (“SMFI”) for a total cash consideration of RM2 to Siah Kok Poay and Siah Chin Pin. Upon completion of the disposal, SMFI ceased to be subsidiary of the Company.

The nominal consideration for the disposals mentioned under (a) and (b) was agreed upon premised upon the loss-making position of PIBI and SMFI for the past few years. As such, no separate announcement were issued given the nominal quantum of the divestment notwithstanding that these disposal were related party transactions.

- (c) On 28 May 2020, the Company disposed all of its 8,814,500 shares in Nippon Egalv Steel Sdn Bhd. (“NEG”) to Nippon Steel Corporation and Hanwa Co., Ltd (in proportion to their individual holding in NEG) for a total cash consideration of RM2. Upon completion of the disposal, the Company ceased to have any interest in NEG.

Except as disclosed above, there were no other changes in the composition of the Group.

A11. Contingent liabilities

The Company has issued corporate guarantees to banks and financial institutions for borrowings granted to certain subsidiaries of which RM12.62 million were utilised at the end of the reporting quarter.

A12. Capital commitment

There was no capital commitment approved and contracted for during the current quarter ended 29 February 2020.

A13. Significant related party transactions

	Current quarter-ended 29 February 2020 RM’000	Current year- to-date ended 29 February 2020 RM’000
Management fee paid/payable to related parties	(9)	(9)
Rental expense paid/payable to related parties	(396)	(396)
Professional fees paid/payable to related parties	(64)	(64)
Rental income received/receivable from related parties	165	165
Progress billings issued to related parties	12,284	12,284
	<u>11,980</u>	<u>11,980</u>

A14. Changes in fair value of financial assets and liabilities, transfers and classification

There have been no significant changes in the business or economic circumstances that could affect the fair value of the Group’s financial assets and financial liabilities in the current financial period under review.

A15. Fair value of financial instruments

Other than those disclosed below, the fair values of the financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values are determined by discounting rates equal to the current market interest rate plus appropriate credit rating, where necessary.

As at 29.2.2020	Fair value of financial instruments not carried at fair value				Carrying Amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
<u>Financial liabilities</u>					
Term loans	-	-	(8,494)	(8,494)	(8,494)
Finance lease liabilities	-	-	(1,611)	(1,611)	(1,611)
	-	-	(10,105)	(10,105)	(10,105)

The fair values above are for disclosure purposes and have been determined by the relevant cash flows using interest rates for similar instruments ranging from 4.02% to 8.10% (30.11.2019 - 4.02% to 8.60%) per annum at the end of the reporting period.

**PART B: OTHER INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
MAIN MARKET LISTING REQUIREMENTS**

B1. Review of performance

	Individual Quarter				Cumulative Period			
	29.02.2020	28.02.2019	Changes		29.02.2020	28.02.2019	Changes	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue								
- Investment holding	-	N/A	N/A	N/A	-	N/A	N/A	N/A
- Steel	1,911	N/A	N/A	N/A	1,911	N/A	N/A	N/A
- Construction	19,754	N/A	N/A	N/A	19,754	N/A	N/A	N/A
	21,665	N/A	N/A	N/A	21,665	N/A	N/A	N/A
(Loss)/Profit before taxation								
- Investment holding	(704)	N/A	N/A	N/A	(704)	N/A	N/A	N/A
- Steel	53	N/A	N/A	N/A	53	N/A	N/A	N/A
- Construction	(127)	N/A	N/A	N/A	(127)	N/A	N/A	N/A
	(778)	N/A	N/A	N/A	(778)	N/A	N/A	N/A

Due to the change in financial year end to 30 November 2019, there were no comparative financial information available for the current quarter and period ended 29 February 2020.

During the current quarter ended 29 February 2020, the Group posted revenue and loss before tax (“LBT”) of RM21.67 million and RM0.78 million respectively. Revenue from construction segment contributed about 90% to consolidated revenue during the current quarter under review. Operating profit was reported at RM0.23 million (note A8) during the current quarter under construction segment, however, it was insufficient to cover its finance cost and resulted a LBT of RM0.13 million. The profit before tax of RM0.05 million generated from steel segment was mainly due to a one-off gain from disposal of plant & equipment amounting to RM0.36 million.

B2. Variation of results against preceding quarter

	Current-	Immediate	Changes	
	quarter-ended	preceding		
	29.02.2020	quarter ended	RM'000	%
	RM'000	30.11.2019	RM'000	%
Revenue				
- Investment holding	-	-	-	-
- Steel	1,911	3,867	(1,956)	(50.58)
- Construction	19,754	34,778	(15,024)	(43.20)
	21,665	38,645	(16,980)	(43.94)
(Loss)/Profit before taxation				
- Investment holding	(704)	(3,331)	2,627	78.86
- Steel	53	(2,068)	2,121	102.58
- Construction	(127)	200	(327)	(36.59)
	(778)	(5,199)	4,421	85.05

The Group reported revenue of RM21.67 million and LBT of RM0.78 million during the current quarter under review as compared to revenue of RM38.65 million and LBT of RM5.2 million reported in the immediate preceding quarter ended 30 November 2019.

Due to slower work progress in the construction segment, revenue recognised was lower as compared to the immediate preceding quarter. Meanwhile, lower LBT during the quarter was mainly due to higher expenses and impairment loss of property, plant and equipment and loss on disposal of subsidiary companies in the immediate preceding quarter ended 30 November 2019.

B3. Prospects

The Board anticipated prospects for the current financial year to be challenging in view of the worsening macroeconomic outlook as a result of on-going Covid-19 pandemic and uncertainty in crude oil price. The Group is actively taking mitigating measures to weather the turbulent times.

With the active progression from construction segment and the recent acquisition of the 2 pieces of industrial land and factories as stated at note A9 (c), the Board is confident of generating positive synergy and long-term growth moving forward.

B4. Variance between actual profit and forecast profit

The Group has not issued any profit forecast or profit guarantee.

B5. Income tax expense

	Current year- quarter-ended 29 February 2020 RM'000	Current year-to- date ended 29 February 2020 RM'000
Income tax expense	-	-

B6. Notes to the statement of profit or loss and other comprehensive income

	Current year- quarter-ended 29 February 2020 RM'000	Current year-to- date ended 29 February 2020 RM'000
Interest income	(15)	(15)
Other income	(297)	(297)
Interest expense	610	610
Amortisation	-	-
Depreciation of investment properties	-	-
Depreciation of property, plant and equipment	296	296
Impairment loss on other receivables	-	-
Inventories written down	-	-
Reversal of inventories written down	-	-
Deposits written off	-	-
Property, plant and equipment written off	-	-
Waiver of debts owing by a contract customer	-	-
Gain on disposal of plant and equipment	(364)	(364)
Realised gain on foreign exchange	(8)	(8)
Unrealised loss on foreign exchange	43	43
Waiver of debts owing to payables	-	-
Gain or loss on derivatives	-	-
Exceptional items	-	-
Impairment loss on property, plant and equipment	-	-

B7. Corporate proposals

There was no other corporate proposal pending for completion as at the date of this report.

B8. Group's borrowings

The Group's borrowings as at 29 February 2020 are as follows:

	Current Secured RM'000	Non-Current Secured RM'000	Total RM'000
Term loans	1,298	7,196	8,494
Hire Purchases	629	982	1,611
Banker acceptance	6,159	-	6,159
Bank overdraft	4,130	-	4,130
Total	12,216	8,177	20,394

The above borrowings are denominated in Ringgit Malaysia.

B9. Material litigation

The Group was not engaged in any material litigation during the current financial quarter.

B10. Proposed dividend

The Board does not recommend any dividend for the current quarter ended 29 February 2020.

B11. Earnings per ordinary share

(a) Basic

The basic loss per share of the Group is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the reporting period.

	Individual Quarter		Cumulative Period	
	quarter- ended	quarter ended	period ended	period ended
	29 February 2020	28 February 2019	29 February 2020	28 February 2019
Loss attributable to owners of the Company (RM'000)	(778)	N/A	(778)	N/A
Weighted average number ordinary shares ('000)	524,705	N/A	524,705	N/A
Basic loss per share (sen)	(0.15)	N/A	(0.15)	N/A

(b) Diluted

The diluted loss per share of the Group is calculated from the loss attributable to owners of the Company divided by weighted average number of shares outstanding after adjustment for the effects of all dilutive potential ordinary shares during the financial period.

The diluted loss per share of the Group were not presented as the effect of the assumed conversion of Irredeemable Convertible Preference Shares ("ICPS") on the loss per ordinary share is anti-dilutive. The effect of the assumed exercise of Warrants has not been considered as the exercise price of the Warrants is higher than the average market price of the Company's shares.

Note: Due to the change in current financial year end to 30 November 2019, there were no comparative financial information available.