

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 31 March 2021

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2021**

	INDIVIDUAL QUARTER		CUMULATIVE	
	Current Year Quarter Ended 31.03.2021 RM '000	Preceding Year Quarter Ended 31.03.2020 RM '000	Current Year To Date 31.03.2021 RM '000	Preceding Year To Date 31.03.2020 RM '000
Revenue	35,510	36,461	69,887	72,329
Operating Expenses	(29,343)	(32,962)	(57,208)	(63,607)
	<u>6,167</u>	<u>3,499</u>	<u>12,679</u>	<u>8,722</u>
Other Operating Income	1,965	1,360	17,003	1,593
Administrative Expenses	(6,277)	(5,836)	(11,846)	(9,312)
Other Expenses	-	-	-	(150)
Finance Cost	(1,253)	(1,015)	(2,260)	(2,123)
Profit / (Loss) before taxation	<u>602</u>	<u>(1,992)</u>	<u>15,576</u>	<u>(1,270)</u>
Taxation	(906)	(913)	(2,085)	(1,496)
Profit / (Loss) for the period	<u>(304)</u>	<u>(2,905)</u>	<u>13,491</u>	<u>(2,766)</u>
Other comprehensive income:				
Currency translation differences	1,943	3,640	(125)	2,260
Total Comprehensive income for the period	<u>1,639</u>	<u>735</u>	<u>13,366</u>	<u>(506)</u>
Profit / (Loss) attributable to:				
Shareholders of the parent	(508)	(2,605)	12,949	(2,503)
Non-controlling interests	204	(300)	542	(263)
Profit / (Loss) for the period	<u>(304)</u>	<u>(2,905)</u>	<u>13,491</u>	<u>(2,766)</u>
Total comprehensive income / (expenses) attributable to:				
Shareholders of the parent	1,435	1,035	12,824	(243)
Non-controlling interests	204	(300)	542	(263)
Total Comprehensive income / (expenses) for the period	<u>1,639</u>	<u>735</u>	<u>13,366</u>	<u>(506)</u>
Earnings per share attributable to equity holders of the parent (sen)				
Basic	-0.01	-0.07	0.32	-0.07
Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 31 March 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	UNAUDITED AS AT 31.03.2021	AUDITED AS AT 30.09.2020
	RM'000	RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	223,319	224,320
Right-of-use assets	5,691	8,204
Intangible assets	19,856	19,856
Deferred tax assets	6,940	8,290
	<u>255,806</u>	<u>260,670</u>
Current Assets		
Inventories	9,797	8,791
Trade and other receivables	24,325	28,498
Tax recoverable	838	881
Cash and cash equivalents	20,140	18,566
	<u>55,100</u>	<u>56,736</u>
TOTAL ASSETS	<u>310,906</u>	<u>317,406</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	233,567	222,588
Treasury shares	(4,192)	(4,192)
Reserves	(78,542)	(91,366)
Total equity attributable to shareholders of the parent	<u>150,833</u>	<u>127,030</u>
Non-controlling interests	9,678	9,136
Total equity	<u>160,511</u>	<u>136,166</u>
Non-current liabilities		
Long term borrowings	38,610	39,678
Other payables	5,610	4,631
Deferred tax liabilities	17,354	17,900
	<u>61,574</u>	<u>62,209</u>
Current Liabilities		
Short term borrowings	42,070	42,430
Trade & other payables	42,362	63,621
Taxation	4,389	12,980
	<u>88,821</u>	<u>119,031</u>
Total liabilities	<u>150,395</u>	<u>181,240</u>
TOTAL EQUITY AND LIABILITIES	<u>310,906</u>	<u>317,406</u>
Net assets per share (RM)	0.04	0.035

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 31 March 2021

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2021**

	6 MONTHS ENDED	6 MONTHS ENDED
	31.03.2021	31.03.2020
	RM'000	RM'000
(Loss)/ Profit before taxation	15,576	(1,270)
Adjustments for :-		
Non-operating items	11,338	6,458
Interest expenses	2,260	2,123
Interest income	(6)	(20)
Cash from operating activities before working capital changes	29,168	7,291
Net change in current assets	(5,417)	5,015
Net change in current liabilities	(21,643)	8,762
Tax (paid)/ refunded	(1,246)	(655)
Interest paid	(2,260)	(2,123)
Net cash generated from operating activities	(1,398)	18,290
Investing activities		
Purchase of property, plant and equipment	(3,573)	(24,927)
Proceeds from sales of property, plant and equipment	255	-
Interest received	6	20
Net cash used in investing activities	(3,312)	(24,907)
Financing activities		
Proceeds from bank borrowings	3,767	-
Repayment of bank borrowings	(2,600)	(4,219)
Proceeds from capital raising exercises	10,979	2,000
Expenses relating to capital raising	(211)	(60)
Net cash generated from financing activities	11,935	(2,279)
Net changes in cash and cash equivalents	7,225	(8,896)
Cash and cash equivalents at beginning of financial period	13,430	23,063
Effects of Exchange Rate Changes	(4,561)	2,788
Cash and cash equivalents at end of the financial period	16,094	16,955
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	20,140	16,955
Bank overdraft	(4,046)	-
Cash and cash equivalents	16,094	16,955

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2021

< ----- Attributable to Shareholders of the Parent ----- >

	Share capital	Warrant reserve	Treasury shares	Translation reserves	Capital reserves	RCN reserves	Retained Profit	Non-Controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
6 MONTHS ENDED 31 MAR 2020									
At 1 October 2019	218,538	118,094	(4,192)	(14,583)	(86,027)	358	(44,442)	5,304	193,050
Initial application of MFRS 16							(56)		(56)
Balance as at 1 October 2019 (restated)	218,538	118,094	(4,192)	(14,583)	(86,027)	358	(44,498)	5,304	192,994
Conversion of RCN						(358)			(358)
Expiry of Warrants A		(75,298)			75,298				-
Total comprehensive income for the period				2,260			(2,503)	(263)	(506)
At 31 March 2020	218,538	42,796	(4,192)	(12,323)	(10,729)	-	(47,001)	5,041	192,130
6 MONTHS ENDED 31 MAR 2021									
At 1 October 2020	222,588	42,796	(4,192)	(14,289)	(10,728)	-	(109,145)	9,136	136,166
Expiry of Warrants B		(15,396)			15,396				-
Private Placement	10,979								10,979
Total comprehensive income for the period				(125)			12,949	542	13,366
At 31 March 2021	233,567	27,400	(4,192)	(14,414)	4,668	-	(96,196)	9,678	160,511

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

NOTES TO THE INTERIM FINANCIAL REPORT – FRS 134

A1. Basis of preparation

The Interim Financial Report of the Group are unaudited and have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board, and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. These condensed consolidated interim financial statements should be read in conjunction with the annual audited financial statements of Hubline Berhad and its subsidiaries for the financial year ended 30 September 2020.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2020.

A2. Auditors' report on preceding Annual Financial Statements

The auditors' report on the Group's financial statements for the year ended 30 September 2020 was not qualified but contained a paragraph on material uncertainty related to going concern as follows:

“We draw attention to Note 4 to the financial statements, which indicates that the Group incurred a net loss of RM60,869,933 during the financial year ended 30 September 2020 and, as of that date, the Group's current liabilities exceeded its current assets by RM62,294,772. These events indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

In assessing the appropriateness of the use of the going concern assumption, management have considered the Group's cash flow forecast for the financial year ending 30 September 2021 as well as other factors enumerated in Note 4 to the financial statements.

In view of the above, barring any unforeseen circumstances, management has a reasonable expectation that the Group have adequate resources to continue as a going concern for the foreseeable future. Accordingly, the financial statements of the Group have been prepared on the going concern basis.

Our opinion is not modified in respect of this matter.”

A3. Seasonality or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A4. Material and unusual items

There were no exceptional items in the quarterly financial statement under review.

A5. Changes in estimates

There were no changes in the estimates of amounts, which give a material effect in the current interim period.

A6. Debts and equity securities

There were no issuances, cancellations, repurchases, resale of debts and equity securities during the financial period under review.

A7. Dividend

No dividends have been declared or paid for the current financial period to date.

A8. Segmental Information

Segmental information for the 6 months ended 31 March 2021

	Shipping & Related Activities RM'000	Aviation & Related Activities RM'000	HQ & Related Overheads RM'000	Group RM'000
Revenue				
External sales	44,723	25,164	-	69,887
Total revenue	44,723	25,164	-	69,887
Results				
Gross profit	3,548	9,131	-	12,679
Interest & other income	1,438	-	15,565	17,003
Administrative costs	(2,078)	(7,320)	(2,448)	(11,846)
Finance cost	(602)	(514)	(1,144)	(2,260)
Segment (loss)/profit before taxation	2,306	1,297	11,973	15,576

Segmental information for the 6 months ended 31 March 2020

	Shipping & Related Activities RM'000	Aviation & Related Activities RM'000	HQ & Related Overheads RM'000	Discontinued Operations RM'000	Group RM'000
Revenue					
External sales	46,986	25,343	-	-	72,329
Total revenue	46,986	25,343	-	-	72,329
Results					
Gross profit	3,213	5,509	-	-	8,722
Interest & other income	1,587	-	6	-	1,593
Administrative costs	(2,651)	(4,091)	(2,333)	(237)	(9,312)
Finance cost	(459)	(266)	-	(1,398)	(2,123)
Other expenses	-	-	(90)	(60)	(150)
Segment (loss)/profit before taxation	1,690	1,152	(2,417)	(1,695)	(1,270)

A9. Profit before tax

The following items have been included in arriving at profit/loss before tax:

	INDIVIDUAL QUARTER		CUMULATIVE	
	Current Year Quarter Ended 31.03.2021 RM '000	Preceding Year Quarter Ended 31.03.2020 RM '000	Current Year To Date 31.03.2021 RM '000	Preceding Year To Date 31.03.2020 RM '000
Interest income	4	4	6	20
Other income	1,960	1,356	16,937	1,572
Foreign exchange gains/(losses) (net)	(353)	(971)	59	(708)
Depreciation and amortisation	(5,467)	(4,695)	(9,107)	(9,330)

A10. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward, without amendment from the most recent annual audited financial statements.

A11. Subsequent material events

There were no material events subsequent to the end of the current quarter up to the date of this report.

A12. Changes in composition of the Company

There was no change in the composition of the Group during the current quarter under review.

A13. Changes in contingent liabilities or contingent assets

The contingent liabilities of the Company are as follows:

	RM'000
Corporate Guarantees given to financial institutions and third parties for credit facilities provided to subsidiaries	<u>15,924</u>

A14. Related Party Transactions

	6 Months ended 31.03.2021 RM'000	6 Months Ended 31.03.2020 RM'000	6 Months Ended 31.03.2021 RM'000	6 Months Ended 31.03.2020 RM'000
A Company in which a director is also the key management personnel				
Rental of premises	<u>206</u>	<u>258</u>	<u>206</u>	<u>258</u>

B EXPLANATORY NOTES OF BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

	INDIVIDUAL QUARTER			CUMULATIVE		
	Current Year Quarter 31.03.2021 RM '000	Preceding Year Quarter 31.03.2020 RM '000	Changes RM '000	Current Year To Date 31.03.2021 RM '000	Preceding Year To Date 31.03.2020 RM '000	Changes RM '000
Revenue	35,510	36,461	(951)	69,887	72,239	(2,352)
Operating Profit	6,167	3,499	2,668	12,679	8,722	3,957
(Loss)/Profit before Interest, Tax, Depreciation, and Amortisation (EBITDA)	6,479	3,718	2,761	26,943	10,183	16,760
Profit/(Loss) Before Tax	602	(1,992)	2,594	15,576	(1,270)	16,846
Profit/(Loss) After Tax	(304)	(2,905)	2,601	13,491	(2,766)	16,257

- Group revenue for the quarter ended 31 March 2021 was RM 35.51 million which was marginally lower when compared to the corresponding period of the previous year.
 - Our drybulk segment revenue fell by RM 1.4 million however this was mainly the result of foreign exchange rates as our freight was billed in US Dollars. In March 2020, our freight revenue was converted at an exchange rate of 4.2221 whereas for the current quarter, the conversion rate was 4.0812. Hence, while the US Dollar billings were relatively the same, the Ringgit revenue has fallen.
 - Aircraft and helicopter charters increased by RM 0.89 million in this quarter compared to the same quarter last year, however this was suppressed by the decrease in student fee revenue from our flying academy by RM 0.44 million.
- Operating profit for both the quarter under review and the current cumulative year to date up to 31 March 2021 were higher when compared to the corresponding period of the previous year. The dry bulk segment has managed to improve efficiencies and reduce their operating costs thereby improving their operating profit. This is despite bunker price increasing by approximately 5% during the period under review.
- The Group's EBITDA for the current quarter was RM 6.48 million compared to RM 3.72 million in the same quarter. The improved EBITDA was due to the reduction in operating costs as mentioned above.
- Administrative expenses for the current year to date increased mainly in the aviation segment due to higher payroll as a result of an increased labour force. This increase is due to the engineers and technical support staff within aviation for the maintenance of additional Group's fleet of aircrafts and helicopters.
- The Group's profit before tax for the current year to date includes the gain on disposal of subsidiary which was recognised in quarter 1 of the current financial year.

B2. Comparison with preceding quarter's results

	Current Year Quarter 31.03.2021 RM '000	Immediate Preceding Quarter 31.12.2020 RM '000	Changes Amount RM '000
Revenue	35,510	34,377	1,133
Operating Profit	6,167	6,471	(304)
Profit/(Loss) before Interest, Tax, Depreciation, and Amortisation (EBITDA)	6,479	20,494	(14,015)
Profit/(Loss) Before Tax	602	14,974	(14,372)
Profit/(Loss) Profit After Tax	(304)	13,794	(14,098)

- Overall revenue has improved by RM 1.1 million during the March 2021 quarter.
 - The dry bulk segment contributed a total of RM 23.23 million in revenue during the quarter as compared to RM 21.49 million in the preceding quarter, an improvement of RM 1.74 million. Freight rates have been edging upwards due to the shortage of vessels to carry such cargo within the South East Asian region.
 - The aviation segment contribution fell by RM 0.6 million from RM 12.89 million in revenue to RM 12.28 million in the immediate preceding quarter. Revenue for both the general aviation and flying academy had fallen. Fixed wing helicopter charters have decreased and student fees fell due to restrictions for social distancing purposes as a result of the domestic surge in COVID-19 cases locally, thereby limiting the number of students per class from 24 students to 14 students.
- Operating profit had decreased by RM 0.30 million from RM 6.47 million to RM 6.17 million. The dry bulk segment operating profit fell by RM 0.17 million. Despite the improved revenue contribution by the dry bulk sector, the increase in bunker prices by 27% during the March 2021 quarter resulting in the increase in bunker costs of RM 3.06 million as compared to the December 2020 quarter.
- EBITDA in the current quarter was RM 6.48 million as compared to RM 20.49 million in the immediate preceding quarter. This was due to the gain on disposal of subsidiary which was recorded in the preceding quarter.

B3. Commentary on Prospects

The Group's dry bulk business has been showing improvement with the steady increase in freight rates. However, bunker prices which increased by 27% during the March 2021 quarter have further increased since then and this has dampened the segment's results. However, the Group expects freight rates to increase further thereby contributing to an improved profitability.

Despite the current poor economic conditions and the reduction in revenue from fixed wing charters, the Group is resilient and we are confident that this segment will be able to improve its results for our general aviation business. However, due to the continued Movement Control Order ("MCO") due to COVID-19 our Flying Academy is only expecting two intakes in the coming year and classes are expected to be smaller. Our existing students are still continuing their studies over an extension of the term period.

The Group continues to strive to achieve our desire to expand the Group in both operating segments that we are involved so as to help the Group achieve better profitability in the long run.

B4. Profit Forecast / Profit Guarantee

Not applicable as the Group did not issue any profit forecast and /or profit guarantee for the quarter.

B5. Taxation

	6 Months Ended 31.03.2021 RM'000	6 Months Ended 31.03.2020 RM'000	6 Months Ended 31.03.2021 RM'000	6 Months Ended 31.03.2020 RM'000
Income tax charge				
- current period	(537)	(684)	(1,281)	(1,267)
Deferred taxation	(369)	(229)	(804)	(229)
	<u>(906)</u>	<u>(913)</u>	<u>(2,085)</u>	<u>(1,496)</u>

Domestic current income tax is calculated at the statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate for the quarter and year to date ended 31 March 2021 were higher than the statutory tax rate principally due to losses of certain subsidiaries which cannot be offset against taxable profits made by other subsidiaries, as well as the effect of expenses that are non-deductible for tax purposes.

B6. Sales of unquoted investment and/or properties

There are no sales of unquoted investment and/or properties during the current quarter and financial year to date.

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current quarter.

B8. Status of corporate proposals

Save for the following, there were no other corporate proposals announced by the Company which were pending completion as at 21 May 2021, being the latest practical date, which is not earlier than 7 days from the date of issue of this report.

(i) Redeemable Convertible Notes program ("RCN")

The RCN Program which was approved at the EGM held on 23 October 2018 had all conditions precedent to the Subscription Agreement satisfied by 14 January 2019.

As at 21 May 2021, the status of the utilisation of the gross proceeds received from the RCN is as follows:

Purpose	Approved Amount RM'000	Drawdown & Actual Utilisation RM'000	Intended Timeframe for Utilisation	Deviation Amount %	Explanations (if deviation is 5% or more)
(i) Repayment of borrowings	70,000	4,449	Within 3 years of drawdown	Note A	Note A
(ii) Capital expenditure (acquisition of tugs, barges and vessels)	95,000	-	Within 5 years of drawdown	Note A	Note A
(iii) Working capital	25,000	624	Within 5 years of drawdown	Note A	Note A
(iv) Estimated expenses in relation to RCN	10,000	927	Within 1 month of drawdown	Note A	Note A
TOTAL	200,000	6,000			

HUBLINE BERHAD
Registration No. 197501001462 (23568-H)

Note A: The RCN program is a 5 year programme that covers up to the period ended 18 February 2024. While not all proceeds have been drawn down, the Group expects it to be utilised within the timeframe provided. Actual utilisation disclosed above is within the proposed utilisation range for the full RCN issued of RM 6.0 million and the Group does not expect any material deviation as at the date of this quarterly report.

(ii) Private Placement

On 22 February 2021, the Company announced a proposed private placement of up to 390,003,014 new Hubline shares representing approximately 10% of the Company's total number of issued shares.

Submission of the listing application was made to Bursa Malaysia on 1 March 2021 and approval was received from Bursa Malaysia on 11 March 2021.

As at 21 May 2021, the Company had issued 261,400,000 placement shares at placement price of RM 0.042.

The amount received to date for the private placement was RM 10.979 million.

As at 21 May 2021, proceeds from the Private Placement have been utilised as follows:

Purpose	Expected Proceeds RM'000	Proceeds Received to Date RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation	Deviation Amount %	Explanations (if deviation is 5% or more)
(i) Partial repayment of borrowings	9,000	6,034	3,442	Within 12 months from receipt of funds	Note B	Note B
(ii) Working capital	7,207	4,775	3,717	Within 12 months from receipt of funds	Note B	Note B
(iii) Estimated expenses in relation to Private Placement	170	170	211	Within 1 month from receipt of funds	Note B	Note B
TOTAL	16,377	10,979	7,370			

Note B: The Group expects funds to be utilised within the timeframe provided, however, not all proceeds have been drawn down. Actual utilisation disclosed above is within the proposed utilisation range for the amounts received and the Group does not expect any material deviation as at the date of this quarterly report.

B9. Group borrowings and debt securities

As at 2 nd quarter ended 31 March 2021						
Secured	Short term		Long term		Total borrowings	
	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)
Overdraft		4,046				4,046
Invoice Financing		20,293				20,293
Term Loan	8,409	8,947		38,132	8,409	47,079
Hire Purchase		375		478		853
Total	8,409	33,661		38,610	8,409	72,271
Grand Total		42,070		38,610		80,680

^ Loan is denominated in USD. As at 31 March 2021, the total balance outstanding was USD 2.028 million. Exchange rate used to convert to RM was 4.1460.

As at 2 nd quarter ended 31 March 2020						
Secured	Short term		Long term		Total borrowings	
	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)
Overdraft		4,513				4,513
Invoice Financing		16,545				16,545
Term Loan	8,747	5,090		33,279	8,747	38,369
Hire Purchase		524		408		932
RCN				4,050		4,050
Total	8,747	26,672		37,737	8,747	64,409
Grand Total		35,419		37,737		73,156

^ Loan is denominated in USD. As at 31 March 2020, the total balance outstanding was USD 2.28 million. Exchange rate used to convert to RM was 4.3130.

Borrowings increased by RM 7.52 million from RM 73.16 million on 31 March 2020 compared to RM 80.68 million this quarter. The increase was due to additional financing provided to finance additional aircrafts as well as for working capital purposes.

The average weighted interest rate of borrowings for the Group is 5.5% per annum.

The Group's foreign currency debt is denominated in USD and is not hedged to RM. Our view is that while we are exposed to some foreign currency volatility in the short term, the impact is not significant in the long term, especially where our Group's freight income is mainly in USD. Furthermore, hedging is costly and can introduce unwanted leverage to the Group.

The exchange rate used to convert USD borrowings is based on the 5pm USD exchange rate on the last business day of the quarter as announced by Bank Negara Malaysia and the current quarter's exchange rate has been quoted above.

B10. Off balance sheet financial instruments

There are no financial instruments with off balance sheet risk at the date of this quarterly report.

B11. Derivatives

There were no derivatives entered into by the Group as at the end of the quarter under review.

B12. Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from the fair value changes of financial liabilities.

B13. Material litigation

As at the date of this report, Hubline and its subsidiaries, are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and do not know of any proceedings pending or threatened or of any fact which may materially affect their income from, title to or possession of any of their assets and /or businesses.

B14. Dividend declared

The Directors do not recommend any dividend for the quarter under review.

B15. Earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the net profit for the quarter/year by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31.03.2021	Quarter Ended 31.03.2020	Year to Date ended 31.03.2021	Year to Date ended 31.03.2020
Net profit / (loss) attributable to equity holders of the parent (RM'000)	(508)	(2,605)	12,949	(2,503)
Weighted average no. of ordinary shares ('000)	3,937,108	3,818,350	4,039,719	3,818,350
Basic earnings per share attributable to equity holders of the parent (sen)	-0.01	(0.07)	0.32	(0.07)

(b) Diluted

The diluted earnings per share are not shown as the effect of the warrants on the basic earnings per share is anti-dilutive.

B16. Authority for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 May 2021.