

**KOMARKCORP BERHAD**  
**AND ITS SUBSIDIARIES**  
Company No.: 199601001919 (374265 - A)  
Incorporated in Malaysia  
**INTERIM FINANCIAL STATEMENTS**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**For the period ended 31 Oct 2020**

(The figures have not been audited)

	Current Qtr Ended 31/10/2020 RM'000	Comparative Qtr Ended 31/10/2019 RM'000	6 months Cumulative 31/10/2020 RM'000	6 months Cumulative 31/10/2019 RM'000
Revenue	8,257	9,864	16,937	20,057
Cost of sales	(7,843)	(9,366)	(15,934)	(18,286)
<b>Gross Profit</b>	<u>414</u>	<u>498</u>	<u>1,003</u>	<u>1,771</u>
Other income	249	532	638	854
Employee benefits expenses	(1,633)	(1,926)	(2,722)	(3,892)
Other operating expenses	(1,167)	(1,214)	(2,325)	(2,242)
Finance costs	(235)	(270)	(456)	(761)
<b>Loss before tax</b>	<u>(2,372)</u>	<u>(2,380)</u>	<u>(3,862)</u>	<u>(4,270)</u>
Tax expense	(156)	(255)	(234)	(505)
<b>Loss after tax</b>	<u>(2,528)</u>	<u>(2,635)</u>	<u>(4,096)</u>	<u>(4,775)</u>
<b><u>Discontinued Operations</u></b>				
Profit/ (Loss) from a discontinued operation, net of tax	-	-	-	-
<b>Profit/ (Loss) for the period</b>	<u>(2,528)</u>	<u>(2,635)</u>	<u>(4,096)</u>	<u>(4,775)</u>
<b>Other Comprehensive Income/(Loss)</b>				
Net Surplus on revaluation of properties	-	-	-	-
Exchange difference on translating foreign operations	(638)	58	(487)	296
	<u>(638)</u>	<u>58</u>	<u>(487)</u>	<u>296</u>
<b>Total Comprehensive Loss for the period</b>	<u>(3,166)</u>	<u>(2,577)</u>	<u>(4,583)</u>	<u>(4,479)</u>
<b>Loss attributable to:</b>				
Equity holders of the parent	(2,306)	(2,635)	(3,874)	(4,775)
Non-controlling interests	(222)	-	(222)	-
	<u>(2,528)</u>	<u>(2,635)</u>	<u>(4,096)</u>	<u>(4,775)</u>
<b>Total Comprehensive Loss attributable to:</b>				
Equity holders of the parent	(2,944)	(2,577)	(4,361)	(4,479)
Non-controlling interests	(222)	-	(222)	-
	<u>(3,166)</u>	<u>(2,577)</u>	<u>(4,583)</u>	<u>(4,479)</u>
Basic Loss per Ordinary Share (sen)	(1.12)	(1.28)	(1.88)	(2.32)
Diluted Loss per Ordinary Share (sen)	N/A	-*	N/A	-2.25

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Financial Statements for the year ended 30 April 2020.

\* Anti-dilutive in nature

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**As at 31 October 2020**

(The figures have not been audited)

	AS AT 31/10/2020	AS AT 30/04/2020 (Audited)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	64,094	65,942
Right of Use Assets	1,042	1,207
Deferred Tax Assets	55	55
Goodwill on Consolidation	1,749	1,750
	<u>66,940</u>	<u>68,954</u>
<b>Current Assets</b>		
Inventories	8,226	3,624
Trade and Other Receivables	9,422	8,935
Tax Recoverable	174	174
Cash and Bank Balances	2,626	2,846
	<u>20,448</u>	<u>15,579</u>
<b>Total Assets</b>	<u>87,388</u>	<u>84,533</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the parent</b>		
Share Capital	62,789	62,789
Treasury Shares, at cost	(4)	(4)
Reserves	(10,230)	(5,855)
	<u>52,555</u>	<u>56,930</u>
Non Controlling interest	(47)	-
<b>Total Equity</b>	<u>52,508</u>	<u>56,930</u>
<b>Non-current liabilities</b>		
Bank Borrowings	11,520	10,441
Leases Obligation	977	718
Post Employment Benefits	1,029	1,033
Deferred tax liabilities	800	767
	<u>14,326</u>	<u>12,959</u>
<b>Current Liabilities</b>		
Trade and Other Payables	14,439	8,781
Leases Obligation	28	10
Bank Borrowings	5,881	5,357
Taxation	206	5
	<u>20,554</u>	<u>14,153</u>
<b>Total Liabilities</b>	<u>34,880</u>	<u>27,112</u>
<b>Total Equity And Liabilities</b>	<u>87,388</u>	<u>84,042</u>
Net Assets per Share (RM)	0.26	0.28

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Financial Statements for the year ended 30 April 2020.

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**Condensed Consolidated Statements of Changes in Equity  
For the period ended 31 October 2020**

	Attributable to Equity Holders of the Parent							Non Controlling Interest	Total Equity	
	Non-distributable				Distributable					
	Share Capital RM'000	Treasury Shares RM'000	General Reserve RM'000	Translation Reserve RM'000	Revaluation Surplus on PPE RM'000	Capital Reserve RM'000	Warrant Reserve RM'000			Accumulated Losses RM'000
<b>At 1st May 2020</b>	62,789	(4)	361	659	15,274	33,882	-	(56,031)	56,930	56,930
Acquisition of shares in Komark Mask SB										175
Total comprehensive loss for the period		-	-	(487)	-	-	-	(3,888)	(4,375)	(222)
<b>As at 31st October 2020</b>	<b>62,789</b>	<b>(4)</b>	<b>361</b>	<b>172</b>	<b>15,274</b>	<b>33,882</b>	<b>-</b>	<b>(59,919)</b>	<b>52,555</b>	<b>(47)</b>
<b>At 1st May 2019</b>	48,425	(2,027)	361	28	11,287	33,882	6,017	(36,037)	61,936	
Total comprehensive income/(loss) for the period	-	-	-	191	(26)	-	-	(5,206)	(5,041)	
Issuance of ordinary shares pursuant to exercise of Purchases of treasury shares	-	(384)	-	-	-	-	-	-	(384)	
<b>As at 31st October 2019</b>	<b>48,425</b>	<b>(2,411)</b>	<b>361</b>	<b>219</b>	<b>11,261</b>	<b>33,882</b>	<b>6,017</b>	<b>(41,243)</b>	<b>56,511</b>	

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Financial Statements for the year ended 30 April 2020.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the period ended 31 October 2020**  
(The figures have not been audited)

	Period Ended	
	31/10/2020 RM'000	31/10/2019 RM'000
<b>Cash Flows from Operating Activities</b>		
Loss Before Taxation	(3,862)	(4,270)
Adjustments for:		
Allowance for slow moving inventories	19	11
Depreciation of property, plant and equipment	2,283	2,072
Gain on foreign exchange, net	(55)	(592)
Interest expense	456	761
Interest income	(10)	(16)
Reversal of gratuity provision	(638)	-
Reversal for provision for doubtful debts	(4)	-
Property, plant and equipment written off	(8)	-
Allowance for impairment losses on amount due from associated company		87
	<hr/>	<hr/>
Operating loss before working capital changes	(1,819)	(1,947)
(Increase)/ decrease in inventories	(4,702)	(445)
(Increase)/ decrease in receivables	(438)	265
Increase/ (decrease) in payables	6,105	1,208
	<hr/>	<hr/>
Cash used in Operations	(854)	(919)
Income Taxes Paid	10	(74)
Interest Paid	(456)	(760)
	<hr/>	<hr/>
<b>Cash Used in Operating Activities</b>	<b>(1,300)</b>	<b>(1,753)</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(417)	(424)
Proceeds from disposal of assets	206	-
Interest Income	-	16
Share buy back	-	(4)
<b>Net Cash Used in Investing Activities</b>	<b>(211)</b>	<b>(412)</b>
<b>Cash Flows from Financing Activities</b>		
Issuance of convertible and redeemable preference shares	2,000	-
Proceeds from warrant shares conversion	-	4,730
Issuance of ordinary shares in subsidiaries	175	-
Proceeds from lease obligation	(214)	-
Proceed from borrowing	1,015	-
Repayment of Term Loans and other Borrowings	(1,665)	(884)
	<hr/>	<hr/>
<b>Net Cash Generated from Financing Activities</b>	<b>1,311</b>	<b>3,846</b>
Decrease in Cash and Cash Equivalents	(200)	1,681
Effect of exchange rate changes	(242)	(575)
Cash and Cash Equivalents at Beginning of Period	417	1,278
	<hr/>	<hr/>
<b>Cash and Cash Equivalents at End of Period</b>	<b>(i) (25)</b>	<b>2,384</b>

(i) Cash and Cash Equivalents

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	RM' 000	RM' 000
<u>Continuing Operations</u>		
Cash and Bank Balances	2,626	4,393
Less : Deposits pledged with licensed institutions	-	(816)
Bank Overdrafts	(2,651)	(1,193)
	<hr/>	<hr/>
	<b>(25)</b>	<b>2,384</b>

This statement should be read in conjunction with the notes to interim financial report and the Company's Annual Financial Statements for the year ended 30 April 2020.

**KOMARKCORP BERHAD  
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Company No. : 199601001919 (374265-A)

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2020**

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 April 2020 which were prepared under Malaysian Financial Reporting Standards (“MFRS”). 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 year ended 30 April 2020.

**A2. Changes in Accounting Policies**

The accounting policies adopted in the preparation of the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 30 April 2020, except for the adoption of the following new MFRS, amendments to MFRSs and IC Interpretation that are effective for the financial statements effective from 1 May 2020, as disclosed below:

The accounting policies adopted are consistent with those of the previous financial year, except in the current period, the Group adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 May 2020.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 101 and MFRS 108: Definition of Material	1 January 2020
Amendments to MFRS 3 Business Combinations - Definition of a Business	1 January 2020
Amendments to MFRS 16 Leases: Covid-19 Related Rent Concessions	1 June 2020

Adoption of the above standards and interpretations did not have any significant impact on the financial performance or position of the Group.

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**Standards Issued but not yet Effective**

The standards and interpretations that have been issued but not yet effective are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 116 Property, Plant & Equipment : Proceeds Before Intended Use	1 January 2022
Amendments to MFRS 137 Provision, Contingent Liabilities and Contingent Assets : Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	

Deferred

**A3. Audit Report**

The audit report for the financial statements of the Group for the financial year ended 30 April 2020 was not qualified.

**A4. Seasonal or Cyclicity of Interim Operations**

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

**A5. Exceptional / Extraordinary Items**

There were no exceptional or extraordinary items for the current quarter except as disclosed in the notes to this report.

**A6. Changes in Estimates**

There were no significant changes in estimates of the amounts reported in the prior financial years that have a materials effect in the current quarter.

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**A7. Debts and Equity Securities**

As at 31 October 2020, the issued and paid up ordinary share capital of the Company was RM62,789,075. The details were as follows:-

<b>Issued and Paid up Share Capital</b>	<b>Unit of Ordinary Share</b>	<b>RM</b>
As at 1 May 2020/ 31 October 2020	205,586,593	62,789,075

As at 31 October 2020, the number of treasury shares held were 10,000 ordinary shares at a total costs of RM3,547. There was no share buy-back during the current quarter.

**A8. Dividend Paid**

No dividend was proposed or paid during the current quarter.

**A9. Segmental Information**

**Manufacturing Of Self Adhesive Stickers and Trading Of Related Products (31 October 2020)**

	Malaysia	Singapore	Thailand	Others	Elimination	Consolidation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	7,560	3,409	7,870	344	(2,246)	16,937
Loss						(3,406)
Unallocated Expenses						(10)
Interest Income						10
Finance Costs						(456)
Share of loss of associate						-
Loss before taxation						(3,862)
Income Tax Expenses						(234)
Loss for the period						(4,096)

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FOR THE SECOND QUARTER ENDED 31 OCTOBER 2020**

**Manufacturing Of Self Adhesive Stickers and Trading Of Related Products (31 October 2019)**

	Malaysia	Singapore	Thailand	Others	Elimination	Consolidation
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	8,858	5,046	8,555	909	(3,311)	20,057
Loss						(2,898)
Unallocated Expenses						(627)
Interest Income						16
Finance Costs						(761)
Share of loss of associate						-
Loss before taxation						(4,270)
Income Tax Expenses						(505)
Net Profit/ (Loss) for the period						(4,775)

**A10. Property, Plant And Equipment**

The revaluation of land and buildings have been brought forward, without any amendment to the previous annual financial statement.

**A11. Material Events Subsequent to the Interim Period**

There were no material events subsequent to the quarter ended 31 October 2020 except as disclosed in this report.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group except for an incorporation of a new wholly owned subsidiary, Komark Mask Sdn. Bhd on 15 June 2020.

**A13. Change in Contingent Liabilities or Contingent Assets**

As at 31 October 2020, the Company has given corporate guarantees of RM17.933 million to banks and financial institutions for banking facilities extended to its subsidiaries.



**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2020**

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING  
REQUIREMENTS**

**B1. Review of Performance**

**Analysis of Current Quarter and Financial Year To Date Performance**

	Individual Period (2nd quarter)		Changes (%)	Cumulative Year		Changes (%)
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To- date	Preceding Year Corresponding Quarter	
	31/10/2020 RM'000	31/10/2019 RM'000		31/10/2020 RM'000	31/10/2019 RM'000	
Revenue	8,257	9,864	(16.29)	16,937	20,057	(15.55)
Loss Before Interest and Tax	(2,109)	(2,110)	0.01	(3,378)	(3,509)	3.73
Loss Before Tax	(2,372)	(2,380)	0.33	(3,862)	(4,270)	0.10
Loss After Tax	(2,528)	(2,635)	4.06	(4,096)	(4,775)	9.56
Loss Attributable to Holders of the Parent	(2,306)	(2,635)	12.49	(3,874)	(4,775)	18.87

**I) Analysis of Current Quarter Performance**

For the current quarter ended 31 October 2020, the Group recorded a revenue of RM8.257 million compared to preceding year corresponding quarter of RM9.864 million; a decrease of RM1.607 million or 16.29%. The decrease in revenue was mainly due to the loss of customers, shrinkage of business regionally and outbreak of Coronavirus ("Covid 19") pandemic.

For the current quarter under review, the Group recorded a marginally lower loss before tax of RM2.372 million compared to a loss before tax of RM2.380 million for the preceding year corresponding quarter.

**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
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**II) Analysis of 6 months Performance**

For the current period ended 31 October 2020, the Group recorded a revenue of RM16.937 million compared to preceding year corresponding period of RM20.057 million; a decrease of RM3.120 million or 15.56%. The decrease in revenue was mainly due to the loss of customers, shrinkage of business regionally and outbreak of Coronavirus (“Covid 19”) pandemic.

For the current period under review, the Group recorded a lower loss before tax of RM3.862 million compared to a loss before tax of RM4.270 million for the preceding year corresponding period. The decrease in loss was mainly due to the reversal of the gratuity provision that amounting to RM0.638 million during the current period.

**B2. Comparison with the Preceding Quarter’s Results**

	Current Quarter	Immediate	Changes (%)
	31/10/2020	Preceding Quarter	
	RM'000	31/07/2020	RM'000
Revenue	8,257	8,680	(4.87)
Loss Before Interest and Tax	(2,109)	(1,269)	(66.19)
Loss Before Tax	(2,372)	(1,490)	(59.19)
Loss After Tax	(2,528)	(1,568)	(61.22)
Loss Attributable to Ordinary Equity Holders	(2,306)	(1,568)	(47.06)

The Group recorded a revenue of RM8.257 million as compared to RM8.680 million for the preceding quarter, representing a decrease of RM0.423 million or 4.87%. The decrease in revenue was due to reduced demand.

The Group recorded a higher loss before tax of RM2.380 million compared to the loss before tax of RM1.490 million for the preceding quarter. This was mainly due to the reversal of gratuity provision that amounted to RM0.638 million that was recorded in the preceding quarter.

**B3. Commentary of Prospects**

The ongoing trade war between USA and China throughout 2019 and 2020, and the outbreak of Coronavirus Covid-19 pandemic caused a massive decline in businesses worldwide, as various industries suffered from the restrictive measures implemented by governments to control the spread of the pandemic, resulting in multi sector loss of revenues. The Group has taken immediate cost cutting and austerity measures to maintain business operationality, as well as diverted resources to a new line of

**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
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business which the Group believes will withstand and provide earnings and revenue stability for years to come.

By utilising its existing skill sets and diverting its focus into PPE and disposable medical masks, the Group is currently well positioned to take advantage of the growing demand due to the persistent effects of the Covid 19 pandemic, while maintaining its core strength in flexible packaging and labelling. This will be achieved in providing Original Equipment Manufacturer (OEM) options for clients who wish to embark on bespoke packaging for mask production, as well as creating unique selling points (USP) for traditional masks business, by virtue of being able to produce inventive and attractive packaging for the masks.

Further, with the trade war between Western Economies and China not abating, the international demand for non-China manufactured masks will grow, allowing the Group to take advantage of an apparent brand leader void in the sector. The Group is optimistic that the diversification will stabilise numbers and yield positive outcomes in the immediate quarters to come. .

**B4. Profit Forecast or Profit Guarantee**

The Group did not announce or disclose any profit forecast or profit guarantee in a public document.

**B5. Board of Directors Statement on Internal Targets**

The Group did not announce or disclose any profit estimates, forecast, projections or internal management targets in a public document.

**B6. Taxation**

	Current Quarter (RM'000)	Period to date (RM'000)
Income Tax		
- Current tax expenses	(134)	(201)
- Deferred tax	(22)	(33)
<b>Total</b>	<b>(156)</b>	<b>(234)</b>

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
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**B7. Status of Corporate Proposal**

On 16 June 2020, the Company announced that it proposes to undertake the following:-

- (i) diversification of the business of Komarkcorp Berhad (“**Komarkcorp**” or the “**Company**”) and its subsidiaries to include the manufacturing and sale of face masks (“**Diversification**”); and
- (ii) private placement of new ordinary shares in Komarkcorp of up to 30% of the total number of issued shares (excluding treasury shares) of the Company to independent third party investor(s) to be identified later and at an issue price to be determined later (“**Placement Shares**”) (“**Private Placement**”).

The Diversification and Private Placement are collectively known as the “**Corporate Exercises**”.

The Corporate Exercises had been approved by the shareholders of the Company at an extraordinary general meeting that was held on 5 August 2020.

The Board had on 16 December 2020 fixed the issue price for the placement of 61,675,000 Placement Shares at RM0.96 per Placement Share. The listing and quotation of 45,011,000 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) was completed on 24 December 2020. Meanwhile, the listing and quotation of another 16,664,000 Placement Shares on the Main Market of Bursa Securities is expected to be completed on 28 December 2020.

On 8 October 2020, the Company announced that it proposes to undertake the bonus issue of free warrants in the Company (“**Warrants C**”) on the basis of 1 Warrant C for every 2 existing ordinary shares held on an entitlement date to be determined and announced later (“**Bonus Issue of Warrants**”).

The Bonus Issue of Warrants had been approved by the shareholders of the Company at an extraordinary general meeting that was held on 23 November 2020. .

The Board had on 22 December 2020 fixed the exercise price of the Warrants C at RM1.00 per Warrant C. On the same day, the Company announced that the entitlement date for the Bonus Issue of Warrants has been fixed on 7 January 2021.

Save as above, the Company did not announce any corporate proposals from the date of last quarterly report to the date of this announcement

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
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**B8. Group's Bank Borrowings and Debt Securities**

Group's bank borrowings and debt securities as at the end of the reporting period are as follows:

	As at 31 October 2020					
	Long Term		Short Term		Total borrowings	
	Foreign denomination	RM'000 denomination	Foreign denomination	RM'000 denomination	Foreign denomination	RM'000 denomination
<b>Secured</b>	-					
Bank Overdraft			THB 10,104,465 Exc Rate 0.133	1,747	THB 10,104,465 Exc Rate 0.133	1,747
Bank Overdraft				461		461
Bankers' Acceptance				1,119		1,119
Term Loan		7,695		68		7,763
Finance Lease and Hire Purchase Liabilities	THB 6,178,478.85 Exc Rate 0.133	822	THB 2,756,399.13 Exc Rate 0.133	367	THB 9,934,877.98 Exc Rate 0.133	1,189
Finance Lease and Hire Purchase Liabilities		3,003		2,119		5,122
<b>Unsecured</b>						
Bankers' Acceptance		-		-		-
Term Loan		-		-		-
<b>Total</b>		<b>11,520</b>		<b>5,881</b>		<b>17,401</b>

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**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
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	As at 31 October 2019					
	Long Term		Short Term		Total borrowings	
	Foreign denomination	RM'000 denomination	Foreign denomination	RM'000 denomination	Foreign denomination	RM'000 denomination
<b>Secured</b>						
Bank Overdraft		-	THB 6,816,648 Exc Rate 0.138287	942	THB 6,816,648 Exc Rate 0.138287	942
Bank Overdraft		-		251		251
Bankers' Acceptance		-		1,166		1,166
Term Loans		6,008		377		6,385
Finance Lease and Hire Purchase Liabilities	THB 8,264,003 Exc Rate 0.138287	1,143	THB 2,613,553 Exc Rate 0.138287	361	THB 1,0877,556 Exc Rate 0.138287	1,504
Finance Lease and Hire Purchase Liabilities		4,795		2,113		6,908
<b>Unsecured</b>						
Loans		-		1,560		1,560
		<b>11,946</b>		<b>6,770</b>		<b>18,716</b>

Interest rates for the hire purchase are between 3.86% to 3.99% per annum.

**B9. Material Litigation**

There is no material litigation for the period ended 31 October 2020 to the date of this announcement.

**B10. Dividend Payable**

No dividend has been proposed or paid for the quarter ended 31 October 2020.

**NOTES TO THE INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2020**

**B11. Loss Per Share (LPS)**

The calculation of basic loss per share is based on the net loss attributable to ordinary shareholders of the parent and the weighted average number of ordinary shares in issue during the period.

	<b>Current Quarter</b>
Loss attributable to Shareholders of Parent (RM)	(3,874,121)
Weighted Average Number of Ordinary Shares (unit)	205,586,593
Basic Loss Per Share (Sen)	(1.88)

**B12. Notes to the Statement of Comprehensive Income/(Loss)**

		Period Ended	Period Ended
		October 2020	October 2019
		RM'000	RM'000
a)	Interest Income	(10)	(16)
b)	Gain on Forex -- Realised	(12)	(24)
	- Unrealised	(43)	(567)
c)	Interest Expense	456	761
d)	Depreciation and amortization	2,283	2,072
e)	Allowance for impairment losses on amount due from associated company	-	87
f)	Allowance for slow moving inventories	19	11
g)	Reversal of gratuity provision	(638)	-
h)	Property, plant & equipment written off	(8)	-
i)	Reversal of expected credit loss	(4)	-