

SCOMI ENERGY SERVICES BHD 199601025627 (397979-A)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND PERIOD ENDED 30 JUNE 2020

	3 months ended 30 June 2020 RM'000	Cumulative period 12 months ended 30 June 2020 RM'000
Revenue	74,359	416,901
Cost of sales	(69,389)	(332,471)
Gross profit	4,970	84,430
Other expenses	(142,446)	(149,983)
Administrative expenses	(5,639)	(44,249)
Marketing and selling expenses	(4,740)	(28,796)
Other operating income	1,761	13
Net loss on impairment of financial instruments	(18,171)	(18,171)
Finance expenses	(6,086)	(17,910)
Finance income	15	2,073
Share of results of JV and associates	(2)	105
Loss before tax	(170,338)	(172,488)
Taxation	(6,412)	(13,121)
Loss for the period	(176,750)	(185,609)
Other comprehensive profit		
Currency translation differences	10,383	(22,963)
Total comprehensive loss for the period	(166,367)	(208,572)
Profit attributable to :		
Owners of the Company	(175,633)	(184,286)
Non-controlling interests	(1,117)	(1,323)
Loss for the period	(176,750)	(185,609)
Total comprehensive profit attributable to:		
Owners of the Company	(165,249)	(207,249)
Non-controlling interests	(1,117)	(1,323)
	(166,366)	(208,572)
Earnings per share		
- Basic and diluted (Sen)	(37.51)	(39.36)

Due to change in financial year from 31 March to 30 June, there is no corresponding period for the current quarter ended 30 June 2020.

The unaudited Condensed Financial Statement should be read in conjunction with the accompanying explanatory notes.

SCOMI ENERGY SERVICES BHD 199601025627 (397979-A)
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UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	As at 30 June 2020 RM'000	As at 30 June 2019 RM'000 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		253,181	298,990
Right-of-use assets		9,250	-
Investment in associates		8,847	8,847
Investment in joint ventures		1,237	2,084
Intangible assets		-	103,531
Deferred tax assets		1,254	529
Other receivables		8,197	14,333
		<u>281,966</u>	<u>428,314</u>
CURRENT ASSETS			
Inventories		75,831	82,811
Trade and other receivables		134,811	267,439
Tax recoverable		18,570	13,493
Cash and bank balances	B8	48,807	65,748
		<u>278,019</u>	<u>429,491</u>
TOTAL ASSETS		<u>559,985</u>	<u>857,805</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital		445,535	1,005,535
Treasury shares		(51)	(51)
Other reserves	B10	10,766	(527,259)
Retained earnings		(258,724)	(73,450)
Total equity attributable to owners of the Company		<u>197,526</u>	<u>404,775</u>
Non-controlling interests		31,898	33,221
TOTAL EQUITY		<u>229,424</u>	<u>437,996</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	B9	-	49,800
Provision for retirement benefits		7,106	8,401
Other payables		1,040	1,028
Deferred tax liabilities		4,096	4,486
Lease liabilities		4,743	-
		<u>16,985</u>	<u>63,715</u>
CURRENT LIABILITIES			
Trade and other payables		161,007	200,336
Loans and borrowings	B9	122,438	136,006
Lease liabilities		5,329	-
Current tax liabilities		24,802	19,752
		<u>313,576</u>	<u>356,094</u>
TOTAL LIABILITIES		<u>330,561</u>	<u>419,809</u>
TOTAL EQUITY AND LIABILITIES		<u>559,985</u>	<u>857,805</u>
Net assets per share (RM)		<u>0.42</u>	<u>0.17</u>

The unaudited Condensed Financial Statement should be read in conjunction with the accompanying explanatory notes.

SCOMI ENERGY SERVICES BHD 199601025627 (397979-A)
(Incorporated in Malaysia)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

	<u>Attributable to owners of the Company</u>						
	Share capital RM '000	Treasury shares RM'000	Other reserves RM '000	Retained earnings RM '000	Total RM '000	Non- controlling interests RM '000	Total equity RM '000
As at 1 July 2019	1,005,535	(51)	(527,259)	(73,450)	404,775	33,221	437,996
Total comprehensive loss for the year	(560,000)	-	538,025	(185,274)	(207,249)	(1,323)	(208,572)
As at 30 June 2020	445,535	(51)	10,766	(258,724)	197,526	31,898	229,424
Audited							
As at 1 April 2018	1,005,535	(51)	(542,246)	32,474	495,712	40,993	536,705
Net loss on impairment of financial instrument (MFRS 9)	-	-	(1,079)	(10,705)	(11,784)	-	(11,784)
Total comprehensive profit/(loss) for the year	-	-	16,066	(95,219)	(79,153)	(7,772)	(86,925)
As at 30 June 2019	1,005,535	(51)	(527,259)	(73,450)	404,775	33,221	437,996

The unaudited Condensed Financial Statement should be read in conjunction with the accompanying explanatory notes.

SCOMI ENERGY SERVICES BHD 199601025627 (397979-A)
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UNAUDITED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2020

	12 months ended 30 June 2020 RM'000
	Note
Cash Flows From Operating Activities	
Loss before tax	(172,488)
Adjustments for non-cash items:	160,648
Changes in working capital:	
Inventories	9,816
Receivables	109,599
Payables	(52,342)
Cash generated from operations	<u>55,233</u>
Tax paid	(8,145)
Retirement benefits paid	(2,039)
Interest received	2,073
Net cash from operating activities	<u>47,122</u>
Cash Flows From Investing Activities	
Proceeds from disposal of property, plant and equipment	2,430
Purchase of property, plant and equipment	(5,335)
Net cash used in investing activities	<u>(2,905)</u>
Cash Flows From Financing Activities	
Repayment of borrowings	(49,811)
Interest paid on borrowings	(13,550)
Decrease in short term deposit pledged as securities	23,566
Net cash used in financing activities	<u>(39,795)</u>
Net increase in cash and cash equivalents	4,422
Cash and cash equivalents at beginning of the year	38,668
Currency translation differences	2,203
Cash and cash equivalents at end of the year	B8 <u>45,293</u>

Due to change in financial year from 31 March to 30 June, there is no corresponding period for the current 12 months ended 30 June 2020.

The unaudited Condensed Financial Statement should be read in conjunction with the accompanying explanatory notes.

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS – FRS 134

A1 Basis of Preparation of Interim Financial Reports

The interim financial statements are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Listing Requirements and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2019 and the accompanying notes attached to the unaudited condensed consolidated financial statements.

Within the context of these condensed consolidated financial statements, the Group comprises the Company and its subsidiaries, and the Group's interest in associates and joint ventures as at and for the period ended 30 June 2020. The Company has changed its financial year end from 31 March 2019 to 30 June 2019.

Except as described below, the same accounting policies and methods of computation are followed in the condensed consolidated financial statements as compared with the consolidated financial statements for year ended 30 June 2019.

The following are amendments to the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") and have been adopted by the Group and the Company:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*

A1 Basis of Preparation of Interim Financial Reports (“Continued”)

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, *Presentations of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

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 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 and the Company plans to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 July 2019 for those accounting standards, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2019, except for amendments to MFRS 3, amendments to MFRS 11 and amendments to MFRS 128 which are not applicable to the Company; and
- from the annual period beginning on 1 July 2020 for those amendments that are effective for annual periods beginning on or after 1 January 2020, except for amendments to MFRS 3 which is not applicable to the Company.

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

A1 Basis of Preparation of Interim Financial Reports (Continued)

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company except as mentioned below:

MFRS 16, Leases

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group and the Company have recognised right-of-use assets and lease liabilities from 1 July 2019.

A2 Audit Report for Preceding Annual Financial Statements

The audit report for the Group's annual financial statements for the year ended 30 June 2019 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The Group's operations are generally not affected by any seasonal or cyclical factors.

A4 Unusual Items

There are no unusual items that affected the assets, liabilities, equity, net income or cash flows in the current quarter under review other than as disclosed in these unaudited condensed consolidated interim financial statements.

A5 Material Changes in Estimates

There were no material changes in estimates other than as disclosed in these unaudited condensed consolidated interim financial statements that have a material effect on the results for the current quarter under review.

A6 Debt and Equity Securities

There has been no further repurchase of shares during the quarter.

A7 Dividends Paid/Payable

There were no dividends paid during the period ended 30 June 2020.

A8 Segmental Reporting

Segment information for the financial period as presented in respect of the Group's business segment is as follows:

Revenue and results for twelve months ended 30 June 2020

	Drilling Services RM'000	Marine Services RM'000	Total RM'000
REVENUE			
External sales	320,568	96,333	416,901
RESULTS			
(Loss)/profit from operations	(8,467)	2,237	(6,230)
Realised gain on foreign exchange	9,253	1,354	10,607
Unrealised gain on foreign exchange	4,337	2,118	6,455
Finance costs	(16,233)	(1,677)	(17,910)
Other expense	(154,341)	(11,174)	(165,515)
Share of results in joint ventures	105	-	105
Loss before tax	(165,346)	(7,142)	(172,488)
Taxation	(10,439)	(2,682)	(13,121)
Loss for the period	(175,785)	(9,824)	(185,609)
Other information			
Depreciation and amortisation	28,392	29,939	58,331
Interest income	652	1,421	2,073
Addition to non-current assets other than financial instruments and deferred tax assets	(68,579)	(23,723)	(92,302)

Due to change in financial year from 31 March to 30 June, there is no corresponding period for the current 12 months ended 30 June 2020.

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A8 Segmental Reporting (Continued)

	Drilling Services RM'000	Marine Services RM'000	Total RM'000
ASSETS AND LIABILITIES AS AT 30 JUNE 2020			
ASSETS			
Assets employed in the segment	214,099	315,978	530,077
Investment in associates	-	8,847	8,847
Investment in joint venture	1,237	-	1,237
	<u>215,336</u>	<u>324,825</u>	<u>540,161</u>
<u>Unallocated corporate assets:</u>			
Current tax assets			18,570
Deferred tax assets			1,254
Total assets			<u>559,985</u>
LIABILITIES			
Liabilities in segment	<u>258,109</u>	<u>43,554</u>	301,663
<u>Unallocated corporate liabilities:</u>			
Tax payable			24,802
Deferred tax liabilities			4,096
Total liabilities			<u>330,561</u>
Net assets			<u>229,424</u>

	Drilling Services RM'000	Marine Services RM'000	Development & Production Asset and Services RM'000	Total RM'000
ASSETS AND LIABILITIES AS AT 30 JUNE 2019 (AUDITED)				
ASSETS				
Assets employed in the segment	603,261	229,555	36	832,852
Investment in associates	0	8,847	-	8,847
Investment in joint venture	1,148	-	936	2,084
	<u>604,409</u>	<u>238,402</u>	<u>972</u>	<u>843,783</u>
<u>Unallocated corporate assets:</u>				
Current tax assets				13,493
Deferred tax assets				529
Total assets				<u>857,805</u>
LIABILITIES				
Liabilities in segment	<u>343,739</u>	<u>57,992</u>	<u>(6,160)</u>	395,571
<u>Unallocated corporate liabilities:</u>				
Tax payable				19,752
Deferred tax liabilities				4,486
Total liabilities				<u>419,809</u>
Net assets				<u>437,996</u>

A9 Valuation of Property, Plant and Equipment

There was no change to the valuation of property, plant and equipment brought forward from the previous annual financial statements.

A10 Material Subsequent Events

On 14 August 2020, the Court has granted the Judicial Management ("JM Orders") filed by the Company's subsidiaries KMCOB Capital Berhad, Scomi Oiltool Sdn Bhd and Scomi KMC Sdn Bhd. The Court has also allowed the Company's application to be withdrawn. The JM Order application was withdrawn by the Company as it would accord greater flexibility to implement a group-wide restructuring for rehabilitation of its businesses while continuing to access the capital markets.

A11 Changes in Composition of the Group

There were no changes in the composition of the Group during the period under review.

A12 Contingent Liabilities

Detail of contingent liabilities of the Group is as follows:-

	RM'000
Contingent liabilities arising from tax matters	<u>2,000</u>

A13 Capital Commitments

Authorised capital commitments not provided for in the financial statements of the Group are as follows:

	Approved and contracted for RM'000	Approved but not contracted for RM'000	Total RM'000
Plant & Machinery	2,472	15,023	17,495
Vessels (drydocking)	2,863	13,537	16,400
Others	-	3,292	3,292
	<u>5,335</u>	<u>31,852</u>	<u>37,187</u>

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The future minimum lease payments under non-cancellable operating leases as at 30 June 2020 are as follows:

	30-Jun 2020 RM'000
Less than one year	5,329
Between one and five years	<u>4,743</u>
	<u>10,072</u>

A14 Related party transactions

	3 months Ended 30 June 2020 RM'000	12 months Ended 30 June 2020 RM'000
Holding company		
Rental income	(6)	(60)
Interest income	-	(1,417)
Cost sharing & recharge of expenses paid on behalf	<u>-</u>	<u>835</u>
 Associate		
Recharge of expenses paid on behalf	<u>28</u>	<u>131</u>

The Directors are of the view that the above transactions have been entered into in the normal course of business under terms and conditions no less favorable to the Group and the Company than those arranged with independent third parties.

B EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

B1 Review of Operating Segments

The Group has two reportable segments which are Drilling Services and Marine Services. Drilling Services provides integrated drilling fluids, drilling waste management solutions and production chemicals while Marine Services consist of coal transportation and offshore support vessel services.

Current 3 months ended 30 June 2020 ("Current period") as compared to 3 months ended 30 June 2019

	Revenue 3 Months to		(Loss)/profit before tax 3 Months to	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	RM'000	RM'000	RM'000	RM'000
Operating Segments:				
Drilling Services	59,453	91,629	(165,508)	(56,371)
Marine Services	14,906	28,279	(4,830)	235
	<u>74,359</u>	<u>119,908</u>	<u>(170,338)</u>	<u>(56,136)</u>

Note: Due to change in financial year from 31 March to 30 June, there is no corresponding period for the current 3 months ended 30 June 2020. The results for the 3 months ended 30 June 2019 are shown for analysis purposes only.

Group

Group revenue for the 3 months ended 30 June 2020 was lower by RM45.5 million or 38.0% compared to the 3 months ended 30 June 2019 with lower revenue in both Drilling Services and Marine Services segment.

Loss before tax ("LBT") for the Current period was higher by RM114.2 million mainly due to lower gross profit as a flow through of lower revenue and impairment of goodwill and intangible assets amounting to RM104 million.

Drilling Services ("DS")

The segment's revenue for the Current period decreased by RM32.2 million or 35.1% as compared to 3 months ended 30 June 2019, mainly due to lower revenue in Malaysia, Russia, Pakistan, Myanmar and Nigeria.

DS segment recorded a higher LBT by RM109.1 million mainly contributed by lower gross profit as a flow through of lower revenue and impairment of goodwill and intangible assets amounting to RM104 million.

B1 Review of Operating Segments (Continued)

Marine Services ("MS")

The segment's revenue for the Current period decreased by RM13.4 million or 47.3% as compared to 3 months ended 30 June 2019 resulting from lower shipments and tonnage carried.

MS LBT was RM4.8 million as compared to a PBT of RM0.2 million for the 3 months ended 30 June 2019. This was mainly due to lower gross profit as a flow through of lower revenue.

B2 3 months ended 30 June 2020 as compared to Preceding 3 months ended 31 March 2020 ("Preceding period")

	Revenue 3 Months to		(Loss)/profit before tax 3 Months to	
	30 June 2020 RM'000	31 Mar 2020 RM'000	30 June 2020 RM'000	31 Mar 2020 RM'000
Operating Segments:				
Drilling Services	59,453	85,478	(165,508)	288
Marine Services	14,906	25,042	(4,830)	390
	<u>74,359</u>	<u>110,520</u>	<u>(170,338)</u>	<u>678</u>

Group

Group revenue for the Current period was lower by RM36.2 million or 32.7% as compared to the Preceding period with lower revenue in both Drilling and Marine Services segment.

The Group recorded a LBT of RM170.3 million as compared to a PBT of RM0.7 million in Preceding period mainly due to lower gross profit as a flow through of lower revenue and impairment of goodwill and intangible assets amounting to RM104 million.

Drilling Services

The segment's revenue for the Current period decreased by RM26.0 million or 30.4% as compared to Preceding period due to lower revenue from India, Malaysia, Nigeria and UAE.

DS segment recorded a LBT of RM165.5 million as compared to PBT of RM0.3 million in the Preceding period mainly due to lower gross profit as a flow through of lower revenue and impairment of goodwill and intangible assets amounting to RM104 million.

Marine Services

The segment's revenue for the Current period was lower by RM10.1 million or 40.5% compared to Preceding period due to lower shipments and tonnage carried.

MS recorded a LBT of RM4.8 million as compared to PBT of RM0.4 million in Preceding period due to lower revenue and consequently lower gross profit.

B3 Current Financial Year Prospects

Drilling Service Outlook

Activity is estimated to remain at current level for the remaining of the year. The growth in demand for oil and improved prices hinges on the containment of the virus and a recovery in the hospitality and travel sectors. OPEC estimates world oil demand to rebound by 7MBPD 2021 or 7.7% to average 98MBPD.

Marine Services Outlook

Demand for Indonesian coal has been weak amid significant Chinese and Indian domestic stockpiles, as these countries prioritize their domestic production. With lower demand for coal shipment, many coal vessels were diverted to ship other bulk materials on spot charter hence driving down the rates.

B4 Profit Forecast

This section is not applicable as no profit forecast was published.

B5 Corporate Proposals

There was no corporate proposal at the date of this report.

B6 Profit before taxation

	Current 3 months ended 30 June 2020 RM'000	Cumulative 12 months ended 30 June 2020 RM'000
The profit before taxation is arrived at after crediting/(charging):		
Interest income	15	2,073
Reversal of impairment loss:		
Allowance for inventories	(4,906)	(4,906)
Impairment loss:		
- property, plant and equipment	(201)	(4,002)
- receivables	(13,640)	(14,485)
- amount due from ultimate holding company	(0)	(12,345)
Impairment of goodwill	(99,713)	(99,713)
Impairment of intangible assets	(4,615)	(4,615)
Inventories written down	(4,906)	(4,906)
Depreciation and amortisation	(18,331)	(58,331)
Recovery/written-back of doubtful debts	3,643	8,659
Gain on foreign exchange - net	8,563	17,062
Gain on disposal of property, plant and equipment	(730)	(694)
Interest expense	(7,047)	(17,477)
Share of results of associate and joint ventures	(2)	105
	<u>(2)</u>	<u>105</u>

B7 Taxation

Details of the taxation as at end of the period are as follows:-

	Current 3 months ended 30 June 2020 RM'000	Cumulative 12 months ended 30 June 2020 RM'000
Malaysian income tax		
- current year	-	-
Foreign income tax		
- current year	6,412	13,121
Total income tax	<u>6,412</u>	<u>13,121</u>
Effective tax rate	<u>-3.8%</u>	<u>-7.6%</u>

The variance in the effective tax rate for the current quarter compared to the Malaysian tax rate of 24% mainly because of:-

- a. Losses in certain tax jurisdictions not qualifying for tax relief;
- b. The tax effects of the different tax rates in various jurisdictions and certain expenses not deductible for tax purposes; and
- c. The above mentioned income tax is related to the revenues and profits recorded by the operating subsidiaries and there are no group reliefs for losses.

B8 Cash and bank balances

Cash and bank balances at the end of the reporting period comprise of:-

	As at 30 June 2020 RM'000
Cash and bank balances	45,288
Short term deposits with licensed banks	<u>3,519</u>
	48,807
Less : restricted cash	<u>(3,514)</u>
Cash and cash equivalents	<u>45,293</u>

The restricted cash comprise of deposits pledged to financial institutions for bank guarantees.

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B9 Loans and borrowings

The Group borrowings and debts securities as at the end of the reporting period are as follows:

	Current RM'000	Non- Current RM'000	Total RM'000
Borrowings – secured	<u>122,438</u>	<u>0</u>	<u>122,438</u>

The Group borrowings and debt securities are denominated in the following currencies:

	RM'000
Ringgit Malaysia	90,190
US Dollar *	<u>32,248</u>
Total	<u>122,438</u>

* These relate to working capital loans.

KMCOB Capital Berhad (KMCOB) has defaulted on payment of Series E bond amounting to RM55.0 million due on 13 December 2019. KMCOB received a letter from the Facility agent on 12 March 2020 on an event of default. After payment of the amount in sinking fund, the debt owed to Danajamin is now RM80,412,996.09.

B10 Other reserves

	As at 30 June 2020 RM'000	As at 30 June 2019 (Audited) RM'000
Capital reserve	586,885	26,881
Translation reserves	(132,796)	(110,817)
Merger reserve	<u>(443,323)</u>	<u>(443,323)</u>
	<u>10,766</u>	<u>(527,259)</u>

B11 Earnings Per Share

	3 months ended 30 June 2020 RM'000	12 months ended 30 June 2020 RM'000
<u>Basic and diluted earnings per share</u>		
Loss for the period	<u>(175,633)</u>	<u>(184,286)</u>
Issued and paid-up capital	468,355	468,355
Less : Treasury shares	<u>(154)</u>	<u>(154)</u>
Weighted average number of ordinary shares in issue ('000)	<u>468,201</u>	<u>468,201</u>
Basic earnings per share (sen)	<u>(37.51)</u>	<u>(39.36)</u>

B12 Material Litigation

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

B13 Proposed Dividend

No dividend has been proposed in respect of the period under review.

B14 Authorised For Issue

The interim financial statements were authorised for issue on 28 August 2020 by the Board of Directors.