



ACME HOLDINGS BERHAD

(Company No. 189740-X)

(Incorporated in Malaysia)

Interim Financial Report
For The Third Quarter Ended 31 December 2020 (Unaudited)

ACME HOLDINGS BERHAD
 (COMPANY NO : 189740-X)
 (INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2020
 (THE FIGURES HAVE NOT BEEN AUDITED)

	Note	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE PERIOD</u>	
		<u>CURRENT QUARTER ENDED 31 DECEMBER 2020 (Unaudited) RM'000</u>	<u>CORRESPONDING PRECEDING QUARTER ENDED 31 DECEMBER 2019 (Unaudited) RM'000</u>	<u>CUMULATIVE PERIOD ENDED 31 DECEMBER 2020 (Unaudited) RM'000</u>	<u>CORRESPONDING PRECEDING PERIOD ENDED 31 DECEMBER 2019 (Unaudited) RM'000</u>
Revenue		6,736	7,063	18,287	19,077
Cost of sales		(5,508)	(5,803)	(14,967)	(14,740)
Gross profit		<u>1,228</u>	<u>1,260</u>	<u>3,320</u>	<u>4,337</u>
Other income		304	331	905	670
Administrative and general expenses		(934)	(1,354)	(2,824)	(3,917)
Selling and distribution expenses		(190)	(256)	(604)	(692)
Finance costs		(15)	(6)	(26)	(23)
Profit/(Loss) before tax	16	<u>393</u>	<u>(25)</u>	<u>771</u>	<u>375</u>
Taxation	18	(243)	(146)	(252)	69
Net profit/(loss), representing total comprehensive income/(loss) for the financial period		<u>150</u>	<u>(171)</u>	<u>519</u>	<u>444</u>
Total comprehensive income/(loss) attributable to:-					
- Owners of the Company		150	(171)	519	444
- Non-controlling interests		0	0	0	0
		<u>150</u>	<u>(171)</u>	<u>519</u>	<u>444</u>
Earnings/(Loss) per share attributable to owners of the Company (sen)	23				
- Basic		<u>0.06</u>	<u>(0.07)</u>	<u>0.20</u>	<u>0.19</u>
- Diluted		<u>0.05</u>	<u>(0.07)</u>	<u>0.19</u>	<u>0.19</u>

Note:-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2020.

ACME HOLDINGS BERHAD
(COMPANY NO: 189740-X)
(INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	(Unaudited) 31 DECEMBER 2020 RM'000	(Audited) 31 MARCH 2020 RM'000
Non-current assets		
Property, plant and equipment	19,778	21,030
Right-of-use asset	222	264
Investment properties	8,104	8,338
Inventory properties	34,017	18,350
Investment in an associate	150	0
	62,271	47,982
Current assets		
Inventory properties	31,857	16,063
Inventories	3,522	2,993
Trade and other receivables	12,325	14,232
Prepayments	3,649	3,086
Contract assets	358	232
Current tax assets	595	792
Cash and cash equivalents	18,591	9,680
	70,897	47,078
Current liabilities		
Trade and other payables	33,123	10,222
Lease liability	12	49
Short-term bank borrowings	198	446
Refund liabilities	178	227
	33,511	10,944
Net current assets	37,386	36,134
Non-current liabilities		
Lease liability	224	224
Long-term bank borrowings	1,693	555
Deferred tax liabilities	1,749	1,827
	3,666	3,606
Net assets	95,991	81,510
Financed by:-		
Share capital	242,826	228,861
Treasury shares	(13,874)	(13,874)
Reverse acquisition reserve	(193,196)	(193,196)
Currency translation reserve	(38)	(35)
Retained profits	60,273	59,754
Equity Attributable to Owners of the Company	95,991	81,510
Net Assets per Share Attributable to Owners of the Company (sen)⁽²⁾	32	34

Notes:-

(1) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2020.

(2) Based on 298,965,500 and 239,973,500 ordinary shares in issue after excluding 8,784,500 treasury shares as at 31 December 2020 and 31 March 2020.

ACME HOLDINGS BERHAD
 (COMPANY NO : 189740-X)
 (INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020
 (THE FIGURES HAVE NOT BEEN AUDITED)

|----- Attributable to owners of the parent -----|

	Share Capital RM'000	Distributable Treasury Shares RM'000	----- Non-Distributable ----- Reverse Acquisition Reserve RM'000	Currency Translation Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
CUMULATIVE PERIOD ENDED 31 DECEMBER 2020						
Balance as at 1 April 2020	228,861	(13,874)	(193,196)	(35)	59,754	81,510
Total comprehensive income for the financial period	0	0	0	(3)	519	516
<i>Transaction with owners:</i>						
Issuance of shares pursuant to private placement	13,965	0	0	0	0	13,965
Balance as at 31 December 2020	<u>242,826</u>	<u>(13,874)</u>	<u>(193,196)</u>	<u>(38)</u>	<u>60,273</u>	<u>95,991</u>
CORRESPONDING PRECEDING PERIOD ENDED 31 DECEMBER 2019						
Balance as at 1 April 2019	226,051	(13,874)	(193,196)	(36)	60,327	79,272
Total comprehensive income for the financial period	0	0	0	9	444	453
<i>Transaction with owners:</i>						
Issuance of shares pursuant to private placement	2,900	0	0	0	0	2,900
Balance as at 31 December 2019	<u>228,951</u>	<u>(13,874)</u>	<u>(193,196)</u>	<u>(27)</u>	<u>60,771</u>	<u>82,625</u>

Notes:-

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2020.

ACME HOLDINGS BERHAD
 (COMPANY NO : 189740-X)
 (INCORPORATED IN MALAYSIA)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2020
 (THE FIGURES HAVE NOT BEEN AUDITED)

	CUMULATIVE PERIOD ENDED 31 DECEMBER 2020 RM'000	CORRESPONDING PRECEDING PERIOD ENDED 31 DECEMBER 2019 RM'000
Cash flows from operating activities		
Profit before tax	771	375
Adjustments for:-		
Allowance for expected credit losses	32	9
Bad debts recovered	(7)	(43)
Depreciation of investment properties	234	234
Depreciation of property, plant and equipment	1,532	1,447
Depreciation for right-of-use assets	42	0
Gain on disposal of property, plant and equipment	(120)	0
Interest expense	26	23
Interest income	(291)	(229)
Unrealised (gain)/loss on foreign exchange	(3)	9
Operating profit before working capital changes	2,216	1,825
Changes in:-		
Inventory properties	2,159	267
Contract assets	(126)	0
Inventories	(529)	(145)
Receivables and prepayments	4,018	(3,157)
Payables	22,334	(5,003)
Refund liabilities	(49)	0
Cash generated from/(used in) operations	30,023	(6,213)
Income tax paid	(228)	(808)
Income tax refund	109	9,626
Interest paid	(26)	(23)
Net cash from operating activities	29,878	2,582
Cash flows from investing activities		
Change in bank balances held in trusts	0	13
Interest received	291	229
Placement of term deposits pledged as security	0	(4)
Purchase of investments in an associate	(150)	0
Net cash outflow from acquisition of subsidiaries	(35,766)	0
Proceeds from disposal of property, plant and equipment	120	0
Purchase of property, plant and equipment	(280)	(1,550)
Net cash used in investing activities	(35,785)	(1,312)
Cash flows from financing activities		
Drawdown of term loan	1,138	0
Payment of finance lease liabilities	(248)	(281)
Payment of principal portion of lease liability	(37)	0
Proceeds from private placement	13,965	2,900
Net cash from financing activities	14,818	2,619
Net increase in cash and cash equivalents	8,911	3,889
Cash and cash equivalents brought forward	9,680	6,562
Cash and cash equivalents carried forward	18,591	10,451
Cash and cash equivalents comprise the following:-		
Cash and bank balances	18,591	10,451
Term deposits with licensed banks	0	198
	18,591	10,649
Term deposits pledged as security	0	(198)
	18,591	10,451

Note:-

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2020.

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report has been prepared in accordance with requirements of MFRS 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2020.

The financial statements of the Group for the financial year ending 31 March 2021 will be prepared under the Malaysian Financial Reporting Standards Framework ("MFRS"). The MFRS framework is a fully IFRS-compliant framework and equivalent to IFRSs. Save for the required presentation of three statements of financial position in the first MFRS financial statement and the changes of accounts classification as disclosed below, there is no major impact on the Group's financial statements.

Adoption of New and Amendments/Improvements to MFRS

The significant accounting policies, methods of computation and basis of consolidation adapted by the Group for the preparation of the interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 March 2020.

The Group also applied the following standards, IC Interpretations and amendment to standard that have been issued by the Malaysian Accounting Standard Board ("MASB") effective from 1 January 2020:

Effective for annual periods beginning on or after 1 January 2020

Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3 Business Combination: Definition of a Business
Amendments to MFRS 101 Presentation of Financial Statement 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

Effective for annual periods beginning on or after 1 June 2020

Amendments to MFRS 16 Covid-19-Related Rent Concessions

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group upon adoption.

The Group have not applied the following standards that have been issued by the MASB but are not yet effective for the Group:

Effective for annual periods beginning on or after 1 January 2021

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases: Interest Rate Benchmark Reform – Phase 2

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation (Cont'd)

Effective for annual periods beginning on or after 1 January 2022

Annual Improvements to MFRS Standards 2018 - 2020
Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework
Amendments to MFRS 16 Property, Plant and Equipment: Proceeds before Intended Use
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets:
Onerous Contracts - Cost of Fulfilling a Contract

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts
Amendments to MFRS 101 Presentation of Financial Statements: Classification of
Liabilities as Current or Non-current

Effective 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 existing MFRS 4 and Amendments to MFRS 4 will be withdrawn upon the adoption of the
new MFRS 17 which will take effect on or after 1 January 2023.

2. Seasonal or Cyclical Factors

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

3. Unusual Items

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the interim period.

4. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial period that have a material effect in the current interim period.

5. Debt and Equity Securities

During the interim period, the Company issued 58,992,000 new ordinary shares at an issue price of RM0.238 per ordinary share pursuant to a private placement. The proceeds had been used for the proposed acquisition of Medan Tropika Sdn. Bhd. ("Medan"). The new ordinary shares rank *pari passu* in all respects with the existing ordinary shares of the Company.

6. Dividend Paid

There was no payment of dividend during the interim period.

ACME HOLDINGS BERHAD(COMPANY NO: 189740-X)
(INCORPORATED IN MALAYSIA)**NOTES TO THE INTERIM FINANCIAL REPORT****7. Segment Information**

<u>Analysis by activity</u>	Manufacturing	Property development	Others	Group
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Total revenue	11,191	6,280	816	18,287
Intersegment revenue	0	0	0	0
External revenue	<u>11,191</u>	<u>6,280</u>	<u>816</u>	<u>18,287</u>
<u>Results</u>				
Segment results	(85)	452	139	506
Interest income	7	204	80	291
Interest expense	(18)	(8)	0	(26)
Profit/(Loss) before tax	(96)	648	219	771
Taxation	(16)	(217)	(19)	(252)
Net profit/(loss) for the financial period	<u>(112)</u>	<u>431</u>	<u>200</u>	<u>519</u>
<u>Assets</u>				
Segment assets	37,508	78,071	16,994	132,573
Income tax assets	82	532	(19)	595
Total assets	<u>37,590</u>	<u>78,603</u>	<u>16,975</u>	<u>133,168</u>

8. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statements for the financial year ended 31 March 2020.

9. Material Events After The Reporting Period

There were no material events after the reporting period that have not been reflected in the interim financial report.

10. Changes in CompositionAcquisition of subsidiaries

- (i) On 12 October 2020, the Board announced that the Company has acquired 37,255,000 ordinary shares representing 100% equity interest in Medan for a total cash consideration of RM34,255,000. Consequently, Medan became a direct wholly-owned subsidiary of the Company. The balance purchase consideration amounted to RM18,901,000 is payable to Medan Vendors within 2 years after the completion of Medan SPA.
- (ii) On 12 October 2020, the Board announced that the Company has acquired 5,831,216 ordinary shares representing 100% equity interest in Focal Products Sdn. Bhd. ("Focal") for a total cash consideration of RM2,000,000. Consequently, Focal became a direct wholly-owned subsidiary of the Company.

Investment in an associate

On 24 November 2020, the Company had subscribed for 150,000 new ordinary shares representing 30% equity interest in Skymind Intelligent Systems Sdn. Bhd. ("Skymind") for a cash consideration of RM150,000.

NOTES TO THE INTERIM FINANCIAL REPORT

11. Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since 1 April 2020.

12. Capital Commitments

The Group has no major capital commitments as at the end of the reporting period.

13. Review of Performance

(a) Cumulative Period Vs Corresponding Preceding Period

	Current Quarter Ended 31 December 2020 RM'000	Corresponding Preceding Quarter Ended 31 December 2019 RM'000	Changes RM'000	Cumulative Period Ended 31 December 2020 RM'000	Corresponding Preceding Period Ended 31 December 2019 RM'000	Changes RM'000
<u>Revenue</u>						
Manufacturing	2,936	4,871	(1,935)	11,191	14,458	(3,267)
Property	3,525	1,917	1,608	6,280	3,794	2,486
Others	275	275	-	816	825	(9)
	<u>6,736</u>	<u>7,063</u>	<u>(327)</u>	<u>18,287</u>	<u>19,077</u>	<u>(790)</u>
<u>Profit/(Loss) before tax</u>						
Manufacturing	(467)	(266)	(201)	(96)	196	(292)
Property	826	281	545	648	507	141
Others	34	(40)	74	219	(328)	547
	<u>393</u>	<u>(25)</u>	<u>418</u>	<u>771</u>	<u>375</u>	<u>396</u>

(i) Comparison with Previous Year Corresponding Preceding Quarter's Results

General

The Group recorded a profit before tax of RM0.39 million for the current quarter ended 31 December 2020 as compared to loss before tax of RM0.03 million for the previous corresponding quarter ended 31 December 2019. The turnaround in profitability was mainly due to higher profit contribution from the Property Division.

Manufacturing Division

During the quarter under review, the Manufacturing Division registered a decrease in revenue of 39.7% as compared to the previous corresponding quarter ended 31 December 2019 as a result of slowdown in most major markets for its products.

Property Division

During the quarter under review, revenue increased by 83.9% as compared to the previous corresponding quarter ended 31 December 2019. This increase in revenue was attributed to various stimulus measures introduced by the Government to support the local residential property market.

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(COMPANY NO: 189740-X)
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NOTES TO THE INTERIM FINANCIAL REPORT

13. Review of Performance (Cont'd)**(a) Cumulative Period Vs Corresponding Preceding Period (Cont'd)****(ii) Comparison with Previous Year Corresponding Period's Results**

The Group recorded profit before tax of RM0.77 million for current period ended 31 December 2020 as compared to profit before tax of RM0.38 million for the previous corresponding period ended 31 December 2019. The increase of approximately 102.6% is mainly due to better cost control by the Investment Holdings Division.

(b) Current Quarter Vs Immediate Preceding Quarter

	Current Quarter Ended 31 December 2020 RM'000	Immediate Preceding Quarter Ended 30 September 2020 RM'000	Changes RM'000
<u>Revenue</u>			
Manufacturing	2,936	6,090	(3,154)
Property	3,525	2,755	770
Others	275	275	-
	<u>6,736</u>	<u>9,120</u>	<u>(2,384)</u>
<u>Profit/(Loss) before tax</u>			
Manufacturing	(467)	960	(1,427)
Property	826	99	727
Others	34	80	(46)
	<u>393</u>	<u>1,139</u>	<u>(746)</u>

The total turnover for the reporting quarter was RM6.74 million as compared to RM9.12 million for the immediately preceding quarter, a total decrease of approximately 26.1%. The decrease was mainly due to a significant drop in revenue of 51.8% by the Manufacturing Division.

Overall, the Group recorded a profit before tax of RM0.39 million in the current quarter as compared to profit before tax of RM1.14 million in the immediate preceding quarter mainly due to significant decrease in contribution from the Manufacturing Division.

14. Prospects

With the reintroduction of the Movement Control Order ("MCO") beginning from 13 January 2021 across most of its major markets, the Manufacturing Division is expected to register a lower revenue for the next quarter ending 31 March 2021 compared to the corresponding preceding quarter ended 31 March 2020.

However, with the accelerated adoption of digital technologies brought about by the COVID-19 crisis, the Board is cautiously optimistic that SkyMind would be able to contribute positively to the future earnings of the Manufacturing Division.

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NOTES TO THE INTERIM FINANCIAL REPORT**14. Prospects (Cont'd)**

As disclosed in Note 10 Changes in Composition, the Company has completed the acquisition of Medan and Focal on 12 October 2020. Medan is the registered owner of 2 adjoining parcels of freehold development land located in Air Itam, Pulau Pinang with total land area measuring about 178,748 square feet. On 13 January 2016, Medan had entered into a joint venture agreement with Focal, as the developer, to jointly develop the said land. The proposed development which consists of 2 blocks of 39-storey affordable apartments was granted the planning permission by the relevant local authorities on 18 September 2017. The proposed development is expected to commence in the third quarter of 2021 with forecasted gross development value of approximately RM196.7 million.

Additionally, the Group is targeting to launch in the second half of 2021 the final phase of our highly successful Quayside @ Clear Water Bay development project. This proposed development involves construction of 6 blocks of 13-storey apartments (with a total of 404 units) at Teluk Air Tawar, Seberang Perai Utara, Pulau Pinang. The gross development value is estimated to be about RM198.5 million.

15. Profit Forecast

There was no profit forecast being previously announced or disclosed in a public document.

16. Profit/(Loss) Before Tax

	Current Quarter Ended 31 December 2020 (Unaudited) RM'000	Corresponding Preceding Quarter Ended 31 December 2019 (Unaudited) RM'000	Cumulative Period Ended 31 December 2020 (Unaudited) RM'000	Corresponding Preceding Period Ended 31 December 2019 (Unaudited) RM'000
Profit/(Loss) before tax is arrived at after charging:-				
Expected credit losses	0	0	32	9
Depreciation of:-				
- Property, plant and equipment	513	507	1,532	1,447
- Investment properties	78	78	234	234
- Right-of-use assets	14	0	42	0
Interest expense	15	6	26	23
Loss on foreign exchange	5	0	3	9
and crediting:-				
Bad debts recovered	5	5	7	43
Gain on disposal of property, plant and equipments	0	0	120	0
Interest income	185	66	291	229

17. Additional Disclosure Information**(a) Foreign Exchange Exposure / Hedging Policy**

As at 31 December 2020, the Group's exposure to foreign currency risk was not significant.

The Group does not engage in any formal hedging activities.

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NOTES TO THE INTERIM FINANCIAL REPORT**17. Additional Disclosure Information (Cont'd)****(b) Significant Related Party Transaction**

- (i) Included in the other receivables is an amount of RM1,500,000 due from Skymind, an associate of the Company. It is unsecured, non-interest bearing and repayable on demand.
- (ii) Included in other payables is an amount of RM125,000 representing short term loan from Nada Wangi Sdn. Bhd., a substantial shareholder of the Company. The loan is unsecured, non-interest bearing and repayable on demand.

(c) Trade and Other Payables

Included in other payables is an amount of RM18,901,000 being the balance purchase consideration due to Medan Vendors for acquisition of Medan.

18. Taxation

	Current Quarter Ended 31 December 2020 RM'000	Corresponding Preceding Quarter Ended 31 December 2019 RM'000	Cumulative Period ended 31 December 2020 RM'000	Corresponding Preceding Period Ended 31 December 2019 RM'000
Tax based on results for the financial period:-				
Malaysian income tax	(304)	(146)	(331)	69
Deferred tax	61	0	79	0
	<u>(243)</u>	<u>(146)</u>	<u>252</u>	<u>69</u>

The income tax expenses of RM243,000 for the current period relates mainly to taxable income of the Property Division.

19. Corporate Proposals

There was no corporate proposal announced but not completed as at 12 February 2021, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

20. Loans and Borrowings

The Group's borrowings as at 31 December 2020 are as follows:

	RM'000
<u>Long term borrowings (secured)</u>	
Hire purchase creditors	555
Term Loans	1,138
<u>Short term borrowings (secured)</u>	
Hire purchase creditors	198

All borrowings are denominated in Ringgit Malaysia.

21. Changes in Material Litigation

As at the date of this interim financial report, there is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

ACME HOLDINGS BERHAD(COMPANY NO: 189740-X)
(INCORPORATED IN MALAYSIA)**NOTES TO THE INTERIM FINANCIAL REPORT****22. Dividend Declared/Recommended**

There was no declaration/recommendation of dividend during the interim period.

23. Earnings/(Loss) per Share**(a) Basic earnings/(loss) per share**

The basic earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issued during the interim period excluding treasury share as follows:-

	Current Quarter Ended 31 December 2020	Corresponding Preceding Quarter Ended 31 December 2019	Cumulative Period Ended 31 December 2020	Corresponding Preceding Period Ended 31 December 2019
Net profit/(loss) for the financial period attributable to owners of the Company (RM'000)	150	(171)	519	444
Weighted average number of ordinary shares ('000)	263,872	230,156	263,872	230,156
Basic earnings/(loss) per share (sen)	0.06	(0.07)	0.20	0.19

(b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share is calculated by dividing the net profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issued excluding treasury shares after adjustment for all dilutive potential ordinary share as follows:-

	Current Quarter Ended 31 December 2020	Corresponding Preceding Quarter Ended 31 December 2019	Cumulative Period Ended 31 December 2020	Corresponding Preceding Period Ended 31 December 2019
Net profit(loss) for the financial period attributable to owners of the Company (RM'000)	150	(171)	519	444
Weighted average number of ordinary shares ('000)	263,872	230,156	263,872	230,156
Effect of warrants	16,250	7,930	16,250	7,930
Basic earnings/(loss) per share (sen)	0.05	(0.07)	0.19	0.19

NOTES TO THE INTERIM FINANCIAL REPORT

24. Audit Qualification

The audit report on the Group's annual financial statements for the preceding financial year was not subject to any qualification.

BY THE ORDER OF THE BOARD

LIM SHIOU GHAY
INDEPENDENT NON-EXECUTIVE CHAIRMAN
19 February 2021