

INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

These figures have not been audited.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	30.06.2020 RM'000	30.06.2019 RM'000	30.06.2020 RM'000	30.06.2019 RM'000
Revenue	45,558	145,353	144,626	330,929
Cost of sales	(32,023)	(144,867)	(121,743)	(317,254)
	13,535	486	22,883	13,675
Other income	1,427	1,342	3,489	1,882
Administrative expenses	(3,981)	(6,055)	(9,062)	(13,045)
Other operating expenses	(3,257)	(5,216)	(9,483)	(10,773)
Profit / (Loss) from operations	7,724	(9,443)	7,827	(8,261)
Finance income	178	103	621	186
Finance costs	(1,659)	(3,964)	(4,084)	(8,219)
Profit / (Loss) before tax	6,243	(13,304)	4,364	(16,294)
Taxation	(1,845)	(1,988)	(2,676)	(3,983)
Profit / (Loss) net of tax	4,398	(15,292)	1,688	(20,277)
Profit / (Loss) attributable to:				
Owners of the parent	4,711	(14,545)	2,376	(18,833)
Non-controlling interests	(313)	(747)	(688)	(1,444)
	4,398	(15,292)	1,688	(20,277)
Earnings / (Loss) per share (sen)				
(a) basic	0.55	(1.63)	0.27	(2.12)
(b) diluted	0.55	(1.63)	0.27	(2.12)

(The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

MITRAJAYA HOLDINGS BERHAD Registration No. 199301013519 (268257-T)
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Profit / (Loss) net of tax	4,398	(15,292)	1,688	(20,277)
Currency translation differences arising from consolidation	908	1,790	(6,948)	915
Total comprehensive income	5,306	(13,502)	(5,260)	(19,362)
Total comprehensive (loss)/ income attributable to:				
Owners of the parent	5,619	(12,755)	(4,572)	(17,918)
Non-controlling interests	(313)	(747)	(688)	(1,444)
	5,306	(13,502)	(5,260)	(19,362)

(The above consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	UNAUDITED AS AT 30.06.2020 RM'000	AUDITED AS AT 31.12.2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	59,793	71,458
Inventories - Land held for property development	259,483	261,864
Investment properties	67,708	69,680
Goodwill on consolidation	2,381	2,289
Deferred taxation	28,241	28,939
Trade receivables	628	628
	418,234	434,858
Current assets		
Contract assets	62,231	149,282
Inventories - Property development cost	104,730	101,755
Inventories - Completed properties and others	206,026	216,557
Trade and other receivables	316,932	376,796
Tax Recoverable	7,019	5,887
Other investment	309	302
Deposits with licensed financial institutions	1,131	1,115
Cash and bank balances	16,087	16,234
	714,465	867,928
TOTAL ASSETS	1,132,699	1,302,786
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	464,573	464,573
Capital reserves	244	244
ESOS reserves	10,469	10,660
Warrants reserves	8,597	8,597
Exchange reserves	(22,388)	(15,440)
Treasury shares	(14,185)	(3,278)
Retained earnings	252,181	249,614
	699,491	714,970
Non-controlling interests	55,887	56,575
Total equity	755,378	771,545
Non-current liabilities		
Long term borrowings	38,674	46,289
Deferred taxation	1,218	1,248
	39,892	47,537
Current liabilities		
Contract liabilities	27,068	29,087
Trade and other payables	208,435	249,827
Short term borrowings	97,150	198,175
Provision for taxation	4,776	6,615
	337,429	483,704
Total liabilities	377,321	531,241
TOTAL EQUITY AND LIABILITIES	1,132,699	1,302,786
Remarks:		
Net assets per share attributable to ordinary equity holders of the parent (RM) - Note (a)	0.86	0.86

(The above consolidated statement of financial position ("CSFP") should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Note (a): The computation of Net assets per share ("NAPS") does not take into account the number of shares bought back and treasury shares as shown in the CSFP. The Board is of the view that the NAPS will be overstated by reflecting the shares bought back in the computation.

INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<-----Attributable to Owners of the Company----->

	Share Capital RM'000	Other Reserves Total RM'000	<-----Non-distributable----->				Treasury Shares RM'000	Distributable Retained Profits RM'000	Equity attributable to owners of the parent RM'000	Non-controlling interests RM'000	Total equity RM'000
			Foreign Exchange Reserves RM'000	ESOS Reserves RM'000	Capital Reserves RM'000	Warrants Reserves RM'000					
Financial period ended 30.6.2020											
At 1.1.2020	464,573	4,061	(15,440)	10,660	244	8,597	(3,278)	249,614	714,970	56,575	771,545
Profit for the financial year	-	-	-	-	-	-	-	2,376	2,376	(688)	1,688
Other comprehensive income											
Foreign currency translation	-	(6,948)	(6,948)	-	-	-	-	-	(6,948)	-	(6,948)
Total comprehensive income	464,573	(2,886)	(22,388)	10,660	244	8,597	(3,278)	251,990	710,398	55,887	766,285
Transactions with owners											
Purchase of treasury shares	-	-	-	-	-	-	(10,907)	-	(10,907)	-	(10,907)
Share options lapsed	-	(191)	-	(191)	-	-	-	191	-	-	-
Total transactions with owners	-	(191)	-	(191)	-	-	(10,907)	191	(10,907)	-	(10,907)
At 30.6.2020	464,573	(3,078)	(22,388)	10,469	244	8,597	(14,185)	252,181	699,491	55,887	755,378
Financial period ended 30.6.2019											
At 1.1.2019	464,573	3,979	(16,050)	11,188	244	8,597	(2,574)	321,184	787,162	63,216	850,378
Loss for the financial year	-	-	-	-	-	-	-	(18,833)	(18,833)	(1,444)	(20,277)
Other comprehensive income											
Foreign currency translation	-	915	915	-	-	-	-	-	915	-	915
Total comprehensive income	464,573	915	(15,135)	11,188	244	8,597	(2,574)	302,351	769,244	61,772	831,016
Transactions with owners											
Share options lapsed	-	(282)	-	(282)	-	-	-	282	-	-	-
Total transactions with owners	-	(282)	-	(282)	-	-	-	282	-	-	-
At 30.6.2019	464,573	4,612	(15,135)	10,906	244	8,597	(2,574)	302,633	769,244	61,772	831,016

(The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial

INTERIM FINANCIAL STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

CONSOLIDATED STATEMENT OF CASH FLOWS

	UNAUDITED 30.06.2020 RM'000	AUDITED 31.12.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit / (loss) profit before tax	4,364	(65,367)
Adjustments for:		
Depreciation of:		
- property, plant and equipment	4,375	11,565
- investment properties	89	176
Dividend income	(7)	(174)
(Gain) on disposal of property, plant and equipment	(565)	(412)
Interest expense	4,084	15,055
Interest income	(621)	(882)
Property, plant and equipment written off	915	357
Unrealised (gain)/loss from foreign exchange	982	(81)
	13,616	(39,763)
Changes in working capital:		
Inventories	3,893	(11,133)
Contract assets/ liabilities	130,996	64,696
Trade and other receivables	19,009	196,012
Trade and other payables	(40,445)	(62,332)
	127,069	147,480
Income Tax refund	-	3,112
Income Tax paid	(5,087)	(16,330)
Net Operating Cash Flows	121,982	134,262
CASH FLOWS FROM INVESTING ACTIVITIES:		
Dividend received	7	174
Interest received	713	882
Redemption/ (Placement) of other investment	(7)	7,538
Proceeds from disposal of property, plant and equipment	874	1,307
Expenditure on:		
- land held for development	(7)	(3,186)
Purchase of property, plant and equipment	(183)	(6,245)
Net Investing Cash Flows	1,397	470
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(4,084)	(15,041)
Dividend paid	-	(13,345)
(Repayment) of borrowings	(107,440)	(77,475)
Purchase of treasury shares	(10,907)	(704)
Net Financing Cash Flows	(122,431)	(106,565)
Net change in cash & cash equivalents	948	28,167
Cash & cash equivalents at the beginning of the financial year	12,377	(16,250)
Effect of exchange differences on translation	(280)	460
Cash & cash equivalents at the end of the financial year	13,045	12,377
Analysis of cash & cash equivalents:		
Deposits with licensed banks	1,131	1,115
Cash and bank balances	16,087	16,234
	17,218	17,349
Bank overdrafts	(4,173)	(4,972)
	13,045	12,377

(The above consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)

Part A: Explanatory Notes Pursuant To MFRS 134: Interim Financial Reporting

A1 Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards 134 : *Interim Financial Reporting* and with IAS 34 : *Interim Financial Reporting* and applicable disclosure provisions Paragraph 9.22 of the Main Market Listing requirements of Bursa Malaysia Securities Berhad.

This interim financial statements should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2019. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2019.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the year ended 31 December 2019, except for the adoption of the following amendments/ improvement to MFRSs with effect from 1 January 2020.

Amendments to MFRS 3	Business Combinations
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above amendments/ improvement to MFRSs did not have significant impact on the Group.

A3 Seasonality or Cyclical of Operations

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

A4 Unusual Items Affecting the Financial Statements

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial period under review.

A5 Material Changes in Estimates

There was no change in estimates that have any material effect on the financial year-to-date.

A6 Debt and Equity Securities

During the current quarter under review, the Company did not issue any ordinary shares pursuant to the Company's employee share options scheme. As at 30 June 2020, a total of 30,832,401 share options to subscribe for ordinary shares remain unexercised.

During the current quarter under review, the Company purchased 21,801,149 shares from its issued shares from the open market. The total number of shares held as treasury shares as at 30 June 2020 was 60,300,249 at a total cost of RM14.19 million. The repurchased shares are being held as treasury shares in accordance with the provision of Section 127 of the Companies Act, 2016.

A7 Dividend Paid

There were no dividend paid in the current quarter ended 30 June 2020.

Part A: Explanatory Notes Pursuant To MFRS 134: Interim Financial Reporting

A8 Segment Reporting

Details of segmental analysis (by business segment) are as follows:-

Financial period ended 30.06.2020

	Construction	Property Development	South Africa Investment	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External revenue	121,165	21,961	1,308	192	-	144,626
Inter-segment revenue	1,262	-	-	5,000	(6,262)	-
Total segment revenue	122,427	21,961	1,308	5,192	(6,262)	144,626
RESULTS						
Profit/(loss) from operations	4,090	5,244	(1,264)	(327)	84	7,827
Finance income	1,124	1,183	50	1,602	(3,338)	621
Finance cost	(2,397)	(3,464)	(258)	(1,303)	3,338	(4,084)
Profit/(loss) before tax	2,817	2,963	(1,472)	(28)	84	4,364
Taxation						(2,676)
Profit net of tax						1,688

Financial period ended 30.6.2019

	Construction	Property Development	South Africa Investment	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE						
External revenue	267,616	57,814	5,281	218	-	330,929
Inter-segment revenue	-	-	-	-	-	-
	267,616	57,814	5,281	218	-	330,929
RESULTS						
Profit/(loss) from operations	(26,209)	17,579	547	31.03.2020	311	(8,261)
Finance income	591	743	11	2,438	(3,597)	186
Finance cost	(5,047)	(4,777)	(305)	(1,687)	3,597	(8,219)
Profit/(loss) before tax	(30,665)	13,545	253	262	311	(16,294)
Taxation						(3,983)
Loss net of tax						(20,277)

A9 Valuation of property, plant and equipment

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

A10 Material Event Subsequent to the End of the Current Quarter

There was no material event subsequent to the end of the current quarter.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period-to-date.

Part A: Explanatory Notes Pursuant To MFRS 134: Interim Financial Reporting

A12 Changes in Contingent Liabilities and Contingent Assets

The changes in the Group's contingent liabilities are as follow:-

	Financial Period Ended 30.06.2020 RM'000	Financial Year Ended 31.12.2019 RM'000
- Performance guarantees extended to a third party (Project related)	2,158	14,790
	<u>2,158</u>	<u>14,790</u>

There were no financial impact for the financial assistance provided in the Group for the current financial period and financial year ended 31 December 2019.

There were no contingent assets as at end of the current financial period and financial year ended 31 December 2019.

A13 Capital Commitments

	Financial Year Ended 30.06.2020 RM'000	Financial Year Ended 31.12.2019 RM'000
Approved and contracted for:-		
-Property, Plant & Equipment	-	16
-Inventories - Property held for development	8,148	8,148
-Investment Properties	1,061	-
Approved but not contracted for Property, Plant & Equipment	81	138

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of the Performance

In the current second quarter ended 30 June 2020, the Group's revenue has reduced by RM99.79 million (68.7%) to RM45.56 million from RM145.35 million reported in the preceding year's corresponding quarter. The substantial reduction in revenue was mainly attributable to Construction division.

Nevertheless, the Group reported a profit before tax of RM6.24 million in the current second quarter ended 30 June 2020, compared to a loss before tax of RM13.30 million in the preceding year's corresponding quarter.

For the six (6) months ended 30 June 2020, the Group reported a revenue of RM144.63 million, a reduction of RM186.30 million (56.3%) from the revenue of RM330.93 million reported in the six (6) months of 2019. However, the Group managed to turn around and reported a profit before tax of RM4.36 million as compared to a loss before tax of RM16.29 million in the preceding year's corresponding period.

Further analysis of the divisional performances is as follows:-

	Individual Quarter		Cumulative Period	
	3 months ended		6 months ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
REVENUE				
Construction	38,297	119,836	121,165	267,616
Property Development	6,928	23,883	21,961	57,814
South Africa Investment	238	1,505	1,308	5,281
Others	95	129	192	218
	45,558	145,353	144,626	330,929
PROFIT / (LOSS) BEFORE TAX				
Construction	4,914	(19,678)	2,817	(30,665)
Property Development	1,431	5,769	2,963	13,545
South Africa Investment	(121)	362	(1,472)	253
Others	(25)	153	(28)	262
Elimination	44	90	84	311
	6,243	(13,304)	4,364	(16,294)

Construction

Individual quarter

Construction division reported a revenue of RM38.30 million and profit before tax of RM4.91 million in the current second quarter, compared to revenue of RM119.84 million and loss before tax of RM19.68 million in the preceding year's corresponding quarter.

Cumulative quarter

For the six (6) months ended 30 June 2020, the Construction division reported a revenue of RM121.17 million, a reduction of RM146.45 million (54.7%) compared to RM267.62 million reported in the six (6) months of 2019. The reduction in revenue was attributable to the reduction in number of on-going projects and minimal work done during Covid-19 lockdown period from 18 March 2020 until 31 May 2020.

It has reported a profit before tax of RM2.82 million in the current second quarter as compared to substantial loss before tax of RM30.67 million incurred in the second quarter of 2019.

The division has been carrying out various measures to reduce operating cost since 2019. It has successfully brought down both the operating and finance cost in the current financial period. Finance cost has reduced by RM2.65 million (52.5%) to RM2.40 million in the current financial period as compared to RM5.05 million incurred in six (6) months of 2019. In addition, staff overhead cost has also reduced by approximately RM3.50 million in the current financial period compared to six (6) months of 2019.

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Property Development

Individual quarter

The Property Development division has contributed a lower revenue of RM6.93 million in the current second quarter, a reduction of RM16.96 million (71.0%) as compared to RM23.88 million in the second quarter of 2019. Correspondingly, profit before tax has reduced by RM4.34 million (75.2%) to RM1.43 million from RM5.77 million in the preceding year's corresponding quarter.

Cumulative quarter

For the six (6) months ended 30 June 2020, the Property Development division's revenue has dropped by RM35.85 million (62.0%) to RM21.96 million as compared to RM57.81 million reported in the six (6) months of 2019. Correspondingly, profit before tax has decreased by RM10.58 million (78.1%) to RM2.96 million from RM13.55 million reported in the preceding year's corresponding period.

The better financial results in 2019 was due to substantial revenue and profits recognised from Wangsa 9 project which was completed in end of March 2019. For the current financial period, the revenue and profit contribution were mainly derived from the newly completed affordable homes project 'Seri Akasia' in March 2020.

South Africa Investment

Individual quarter

For the current second quarter ended 30 June 2020, our property project in South Africa has contributed a much lower revenue of RM0.24 million and reported a loss before tax of RM0.12 million.

Cumulative quarter

For the six (6) months ended 30 June 2020, this division's revenue has dropped by RM3.97 million (75.2%) to RM1.31 million as compared to RM5.28 million reported in the six (6) months of 2019. Correspondingly, this division has reported a loss before tax of RM1.47 million as compared to profit before tax of RM0.25 million reported in the preceding year's corresponding period. The losses were mainly attributable to unrealised foreign exchange loss of RM0.98 million and revenue reduction during the Covid-19 lockdown period in South Africa.

B2 Comparison with Preceding Quarter Results

	Current Quarter ended 30.06.2020 RM'000	Preceding Quarter ended 31.03.2020 RM'000	Variance %
Revenue	45,558	99,068	-54.0%
Profit / (Loss) before tax	6,243	(1,879)	432.3%
Profit margin	13.7%	-1.9%	

The Group's revenue in the current quarter has decreased by RM53.51 million (54.0%) to RM45.56 million from the preceding quarter's revenue of RM99.07 million. The Group has reported a profit before tax of RM6.24 million as compared to a loss before tax of RM1.88 million in the preceding quarter. The decrease in revenue was mainly due to minimal construction work done and property sales during Covid-19 lockdown period. The current quarter's profit were partially derived from the reduction in operating and finance cost.

B3 Profit / (Loss) for the period

Individual Quarter 3 months ended		Cumulative Period 6 months ended	
30.06.2020	30.06.2019	30.06.2020	30.06.2019
RM'000	RM'000	RM'000	RM'000

**Profit / (Loss) for the period is arrived at after
crediting/(charging):**

Depreciation and amortisation	(1,945)	(2,141)	(4,464)	(4,470)
Gain / (loss) on disposal of property, plant and equipment	36	6	565	(221)
Interest income	178	103	621	186
Interest expense	(1,659)	(3,964)	(4,084)	(8,219)
Other income	1,427	1,115	3,489	1,882
Property, plant and equipment written off	0	(3)	(915)	(3)
Unrealised gain / (loss) on foreign exchange	221	222	(982)	104

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B4 Prospects for the current financial year ending 31 December 2020

Malaysia's GDP in the second quarter saw a sharp contraction of 17.1% ,the first double-digit contraction recorded since Q4 1998. With uncertainties still lingering, the possibility of a second wave infections of Covid-19 pandemic, the negative impact on the economy is still very much in the picture. For the full year of 2020, it expected a negative GDP growth of between 3.5% to 5.5%.

Based on the above, the Group expects the outlook for the current financial year to be very challenging. The Group has undertaken various cautious measures to ensure sustainability and stability of the business operations.

Our current Construction outstanding order book stands at RM599.62 million which can sustain the division until mid-2022. The division will continue working aggressively on project tendering for order book replenishment and implementation of precautionary measures to ensure smooth construction progress for our on-going projects. Stringent cost control are put in place to ensure profitability and delivery of quality projects to our clients on time.

In view of the current weak sentiment in the local property market, our Property Development division is taking aggressive strategies to market our completed units in both local and overseas market. The current unbilled sales for this Division amounts to RM46.63 million. Due to the impact of Covid-19, the Division is reviewing the earlier proposed development project in Bukit Sentosa and Puchong Prima.

Revenue contribution from our investment in South Africa in 2020 will be dependent on the sales of 42 units of apartment built within the Blue Valley Golf & Country Estate. Due to the lockdown enforced by South Africa government since 23 March 2020, the construction work has been delayed and revised completion date will be by Mid-September 2020. The sales launching for this project was held on 15 August 2020 with registration of 12 bookings to-date. Total estimated GDV for this project is Rand 62.61 million.

B5 Profit Forecast

The Group did not issue any profit forecast for the year.

B6 Taxation

	Current Quarter ended 30.06.2020 RM'000	Financial Year Ended 30.06.2020 RM'000
Taxation based on profit for the period		
- current year	1,116	1,588
- under/ (over) provision in prior years	(8)	431
	<u>1,108</u>	<u>2,019</u>
Deferred taxation	<u>737</u>	<u>657</u>
	<u><u>1,845</u></u>	<u><u>2,676</u></u>

The Group's effective tax rate for financial period-to-date was high compared to the statutory tax rate due to the losses of certain companies cannot be set off against the profit made by other companies within the Group.

B7 Status of Corporate Proposals

There are no corporate proposals announced but not completed at the latest practicable date.

B8 Material Contracts Pending Completion

The Group's wholly-owned subsidiary, Pembinaan Mitrajaya Sdn Bhd has sold and/or disposed off 72 pieces of leasehold land in Pulau Melaka, State of Malacca to Parkland Avenue Sdn Bhd ("PASB") and another 21 pieces of leasehold land to Parkland Diversified Sdn Bhd ("PDSB") for a total cash consideration of RM63.0 million by way of the following agreements entered on 26 November 2019 ("the Disposal"):-

- i) a Sale and Purchase Agreement with PASB for the sale and/or disposal of 72 pieces of leasehold land in Pulau Melaka, State of Malacca ("First SPA");
- ii) a Sale and Purchase Agreement with PDSB for the sale and/or disposal of 21 pieces of leasehold land in Pulau Melaka, State of Malacca ("Second SPA"); and
- iii) a Master Agreement with PASB and PDSB to confirm that the First SPA and the Second SPA shall not be divisible or independent from one another be interdependent and indivisible and that the obligations are to be performed and completed by the Parties concurrently.

The Disposal is expected to be completed by 4th quarter of 2020.

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B9 Group Borrowings and Debt Securities

	Short term RM'000	Long term RM'000
Secured	11,888	38,674
Unsecured	85,263	-
	<u>97,151</u>	<u>38,674</u>

B10 Material Litigation

The Group is not engaged in any material litigations either as plaintiff or defendant, which will have a material effect on the financial position of the Group.

B11 Dividend

The Directors are not recommending any dividend for the quarter ended 30 June 2020.

B12 Earnings / (Loss) Per Share

	Individual Quarter 3 months ended		Cumulative Period 6 months ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
(a) Basic Earnings / (Loss) Per Share				
(Loss)/ Profit attributable to equity holders of the Company (RM'000)	<u>4,711</u>	(14,545)	<u>2,376</u>	(18,833)
Weighted average number of ordinary shares in issue ('000)	848,846	889,672	878,795	889,672
Basic earnings / (loss) per share (sen)	0.55	(1.63)	0.27	(2.12)
(b) Diluted Earnings / (Loss) Per Share				
(Loss)/ Profit attributable to equity holders of the Company (RM'000)	<u>4,711</u>	(14,545)	<u>2,376</u>	(18,833)
Weighted average number of ordinary shares in issue ('000)	848,846	889,672	878,795	889,672
Effect of dilution ('000)	#	#	#	#
Adjusted weighted average number of ordinary shares in issue ('000)	<u>848,846</u>	889,672	<u>878,795</u>	889,672
Diluted earnings / (loss) per share (sen)	0.55	(1.63)	0.27	(2.12)

As the exercise price for the ESOS and warrants are higher than average market price, it is assumed that the holders of the ESOS and warrants will not exercise the ESOS and warrants.

B13 Auditors' Report of Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not qualified.

By Order of the Board
Leong Oi Wah
Secretary