

**Interim Financial Report on Consolidated Results for the Financial Year Ended 30 September 2019**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**

*(The figures have not been audited)*

	Individual Financial Quarter Ended		Year to date Ended	
	30.09.2019 RM'000	30.09.2018 RM'000	30.09.2019 RM'000	30.09.2018 RM'000
Revenue	5,612	5,524	17,198	17,373
Cost of sales	(2,003)	(2,143)	(5,970)	(6,151)
<b>Gross profit</b>	<u>3,609</u>	<u>3,381</u>	<u>11,228</u>	<u>11,222</u>
Other income	579	2,829	1,143	3,410
Other expenses	-	(1,564)	-	(1,564)
Other operating expenses	(344)	(559)	(1,104)	(1,325)
Marketing expenses	(5)	(6)	(16)	(18)
Administrative expenses	(1,716)	(2,158)	(4,933)	(5,312)
Finance cost	(4)	-	(15)	-
<b>Profit before tax</b>	<u>2,119</u>	<u>1,923</u>	<u>6,303</u>	<u>6,413</u>
Tax expense	(564)	(8)	(1,423)	(944)
<b>Profit for the year</b>	<u>1,555</u>	<u>1,915</u>	<u>4,880</u>	<u>5,469</u>
<b>Other comprehensive income/(loss) for the year, net of tax</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>	<u><u>1,555</u></u>	<u><u>1,915</u></u>	<u><u>4,880</u></u>	<u><u>5,469</u></u>
<b>Profit for the year attributable to:</b>				
Owners of the parent	<u>1,555</u>	<u>1,915</u>	<u>4,880</u>	<u>5,469</u>
<b>Earnings per share</b>				
- Basic (sen)	<u>0.25</u>	<u>0.84</u>	<u>0.79</u>	<u>1.32</u>
- Diluted (sen)	<u>0.25</u>	<u>0.56</u>	<u>0.79</u>	<u>0.88</u>

*(The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Year Ended 30 September 2019**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*(The figures have not been audited)*

	Note	(Unaudited) 30.09.2019 RM'000	(Audited) 31.12.2018 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Capital work in progress		-	8,385
Property, plant and equipment		12,164	2,747
Rights of use assets		434	-
Development costs		11,330	11,090
Investment		12,840	-
<b>Total non-current assets</b>		<b>36,768</b>	<b>22,222</b>
<b>Current assets</b>			
Inventories		24	45
Trade and other receivables	B8	26,653	6,639
Cash and cash equivalents	B7	58,704	29,813
Tax recoverable	B5	-	4
<b>Total current assets</b>		<b>85,381</b>	<b>36,501</b>
<b>TOTAL ASSETS</b>		<b>122,149</b>	<b>58,723</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		89,303	20,998
Reserves		27,994	26,204
		117,297	47,202
Non-controlling interests		-	-
<b>TOTAL EQUITY</b>		<b>117,297</b>	<b>47,202</b>

**Interim Financial Report on Consolidated Results for the Financial Year Ended 30 September 2019**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

*(The figures have not been audited)*

	(Unaudited) 30.09.2019 RM'000	(Audited) 31.12.2018 RM'000
<b>Equity and Liabilities</b>		
<b>(continued)</b>		
<b>Current liabilities</b>		
Trade and other payables	2,648	10,451
Contract liabilities	1,845	1,070
Tax payable	297	-
<b>Total current liabilities</b>	4,790	11,521
<b>Non current liabilities</b>		
Contract liabilities	62	-
<b>Total non current liabilities</b>	62	-
<b>TOTAL LIABILITIES</b>	4,852	11,521
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>122,149</b>	<b>58,723</b>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>	0.19	0.11

*(The unaudited Condensed Consolidated Statements of Financial Position should read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Year Ended 30 September 2019**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*(The figures have not been audited)*

	Share Capital RM'000	Other Reverse RM'000	Distributable Retained Earnings RM'000	Total Attributable to the Owners of the Parent RM'000	Total Equity RM'000
<u>9 Months Period Ended</u>					
<u>30 September 2019</u>					
At 1 January 2019	20,998	(81)	26,285	47,202	<b>47,202</b>
Total comprehensive income for the year	-	-	4,880	4,880	<b>4,880</b>
Adoption of MFRS16	-	-	(13)	(13)	<b>(13)</b>
Issuance of ordinary shares pursuant to exercise of warrants	68,305	-	-	68,305	<b>68,305</b>
Dividend paid	-	-	(3,077)	(3,077)	<b>(3,077)</b>
At 30 September 2019	<u>89,303</u>	<u>(81)</u>	<u>28,075</u>	<u>117,297</u>	<b><u>117,297</u></b>
<u>9 Months Period Ended</u>					
<u>30 September 2018</u>					
At 1 January 2018	20,743	-	25,829	46,572	<b>46,572</b>
Total comprehensive income for the year	-	-	5,469	5,469	<b>5,469</b>
Issuance of ordinary shares pursuant to exercise of warrants	255	-	-	255	<b>255</b>
Dividend paid	-	-	(3,108)	(3,108)	<b>(3,108)</b>
At 30 September 2018	<u>20,998</u>	<u>-</u>	<u>28,190</u>	<u>49,188</u>	<b><u>49,188</u></b>

*(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Year Ended 30 September 2019**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

*(The figures have not been audited)*

	Note	9 Months Period Ended	
		30.09.2019	30.09.2018
		RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		6,303	6,413
Adjustments for:			
Impairment loss on trade receivables		48	9
Amortisation of development costs		1,840	1,578
Depreciation of property, plant and equipment		798	895
Gain on disposal of property, plant and equipment		-	(2,439)
Written off of property, plant and equipment		-	163
Unrealised loss/(gain) on foreign exchange		(6)	(6)
Interest expense		15	-
Interest income from deposits with licensed banks		(1,136)	(495)
Operating profit before working capital changes		7,862	6,038
Changes in working capital:			
(Increase) in inventories		21	2
(Increase) in trade and other receivables		(20,108)	(720)
Increase in trade and other payables		(6,823)	(334)
Cash generated from operations		(19,048)	2,952
Tax paid		(1,122)	(1,248)
<b>Net cash from/(used) in operating activities</b>		<b>(20,170)</b>	<b>1,704</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition of product development cost		(2,080)	(2,034)
Interest received		1,136	495
Purchase of property, plant and equipment		(1,549)	(277)
Proceeds from disposal of property, plant and equipment		-	15,678
Purchase of right of use asset		(715)	-
Purchase of Investment		(12,840)	-
<b>Net cash used in investing activities</b>		<b>(16,048)</b>	<b>15,896</b>

**Interim Financial Report on Consolidated Results for the Financial Year Ended 30 September 2019**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**

*(The figures have not been audited)*

	Note	9 Months Period Ending	
		30.09.2019	30.09.2018
		RM'000	RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of			
- Term loan		-	(4,240)
- Lease liability		(94)	-
Proceed from issuance of new shares		68,305	255
Interest paid		(29)	-
Dividend paid		(3,077)	(3,108)
<b>Net cash from/(used) in financing activities</b>		<b>65,105</b>	<b>(7,093)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>28,887</b>	<b>10,507</b>
<b>Effects of exchange rate changes</b>		<b>5</b>	<b>6</b>
<b>Cash and cash equivalents at 1 January</b>		<b>29,812</b>	<b>21,542</b>
<b>Cash and cash equivalents at 31 March</b>	B7	<b>58,704</b>	<b>32,055</b>

*(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.)*

## A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”)

### A1. Basis of Preparation

The unaudited interim financial statements, for the period ended 30 September 2019, have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the financial year ended 31 December 2018. The explanatory notes attached to the interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2018.

Since the previous annual audited financial statements as at 31 December 2018 were issued, the Group has adopted the Malaysia Financial Reporting Standards (“MFRS”) framework issued by MASB with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converged Malaysia’s existing Financial Reporting Standards (“FRS”) framework with the International Financial Reporting Standards (“IFRS”) framework issued by the International Accounting Standards Board.

At the date of issuance of this unaudited interim financial statements, the MFRSs, amendments to MFRSs and IC Interpretation have been issued by MASB but not yet effective are as listed below:

	Effective dates for financial periods beginning on or after
Annual Improvements to MFRSs 2015 - 2017 Cycle:	
• Amendments to MFRS 2 <i>Share-Based Payment</i>	1 January 2020
• Amendment to MFRS 3 <i>Business Combination</i>	1 January 2020
• Amendments to MFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>	1 January 2020
• Amendment to MFRS 14 <i>Regulatory Deferral Account</i>	1 January 2020
• Amendments to MFRS 101 <i>Presentation of Financial Statements</i>	1 January 2020
• Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2020
• Amendments to MFRS 134 <i>Interim Financial Reporting</i> Amendments to References to the Conceptual Framework in MFRS Standards (Cont’d)	1 January 2020
• Amendment to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 January 2020
• Amendment to MFRS 138 <i>Intangible Assets</i>	1 January 2020
• Amendment to IC Interpretation 12 <i>Service Concession Arrangements</i>	1 January 2020
• Amendment to IC Interpretation 19 <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 January 2020
• Amendment to IC Interpretation 20 <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2020

	Effective dates for financial periods beginning on or after
<ul style="list-style-type: none"> <li>Amendment to IC Interpretation 22 <i>Foreign Currency Transactions and Advances Consideration</i></li> </ul>	1 January 2020
<ul style="list-style-type: none"> <li>Amendments to IC Interpretation 132 <i>Intangible Assets – Website Costs</i></li> </ul>	1 January 2020
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company are in the process of assessing the impact of implementing these Amendments and Standards, since the effect would only be observable for the future financial years.

#### **A2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2018 was not qualified.

#### **A3. Seasonality or Cyclicity of Interim Operations**

There were no seasonal or cyclical factors affecting the results of the Group for the current financial quarter under review and financial year.

#### **A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

During the current financial quarter under review and financial year, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

#### **A5. Material Changes in Accounting Estimates**

There was no material changes in estimates of amounts reported in the prior financial year that has a material effect on the current financial quarter under review and financial year.



**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A6. Issuances, Cancellation, Repurchases, Resale and Repayments of Debts and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial year under review, save as disclosed below

	<b>Ordinary Share Capital</b>
	RM'000
<b>Balance at 1 January 2019</b>	20,998
<b>Add : Warrants converted to ordinary shares</b>	68,305
<b>Balance at 30 September 2019</b>	89,303

**A7. Dividends**

On 22 August 2019, the Board of Directors has declared the first interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM3.1 million in respect of financial year ending 31 December 2019. The dividend was paid on 19 September 2019.

On 26 November 2019, the Board of Directors has declared the second interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM3.1 million in respect of financial year ending 31 December 2019. The dividend will be paid on 18 December 2019.

**A8. Segmental Reporting**

Segment information is presented in respect of the Group’s business segments.

- (i) Application Solutions (“AS”)
  - Sales of software applications and product on an outright purchase basis.
- (ii) Application Services Providers (“ASP”)
  - Income from outsourcing service charge which is volume and transaction based.
- (iii) Maintenance Services
  - Provision of maintenance services.

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A8. Segmental Reporting**

**(a) Individual quarter**

<b><u>3 Months Period Ended</u></b> <b><u>30 September 2019</u></b>	<b>AS</b> <b>RM'000</b>	<b>ASP</b> <b>RM'000</b>	<b>Maintenance</b> <b>Services</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Revenue</b>				
Total revenue	1,426	3,780	485	5,691
Inter-segment revenue	-	(79)	-	(79)
Revenue from external customers	1,426	3701	485	5,612
<b>Results</b>				
Segment results	449	925	174	1,548
Finance costs	-	-	-	(4)
Interest income from deposits with licensed bank				575
Profit before tax				2,119
Income tax expense				(564)
<b>Net profit for the period</b>				<b>1,555</b>

<b><u>3 Months Period Ended</u></b> <b><u>30 September 2018</u></b>	<b>AS</b> <b>RM'000</b>	<b>ASP</b> <b>RM'000</b>	<b>Maintenance</b> <b>Services</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Revenue</b>				
Total revenue	1,106	4,052	445	5,603
Inter-segment revenue	-	(79)	-	(79)
Revenue from external customers	1,440	3,973	445	5,524
<b>Results</b>				
Segment results	875	455	308	1,638
Finance costs	-	-	-	-
Interest income from deposits with licensed bank				285
Profit before tax				1,923
Income tax expense				(8)
<b>Net profit for the period</b>				<b>1,915</b>

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

**A8. Segmental Reporting (continue)**

**(b) Cumulative quarter**

<b><u>9 Months Period Ended</u></b> <b><u>30 September 2019</u></b>	<b>AS</b> <b>RM'000</b>	<b>ASP</b> <b>RM'000</b>	<b>Maintenance</b> <b>Services</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Revenue</b>				
Total revenue	3,850	12,042	1,544	17,436
Inter-segment revenue	-	(238)	-	(238)
Revenue from external customers	3,850	11,084	1,544	17,198
<b>Results</b>				
Segment results	1,710	2,880	592	5,182
Finance costs	-	-	-	(15)
Interest income from deposits with licensed bank				1,136
Profit before tax				6,303
Income tax expense				(1,423)
<b>Net profit for the period</b>				<b>4,880</b>

<b><u>9 Months Period Ended</u></b> <b><u>30 September 2018</u></b>	<b>AS</b> <b>RM'000</b>	<b>ASP</b> <b>RM'000</b>	<b>Maintenance</b> <b>Services</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>Revenue</b>				
Total revenue	3,910	12,361	1,340	17,611
Inter-segment revenue	-	(238)	-	(238)
Revenue from external customers	3,910	12,123	1,340	17,373
<b>Results</b>				
Segment results	2,090	3,055	706	5,851
Finance costs	-	-	-	-
Interest income from deposits with licensed bank				562
Profit before tax				6,413
Income tax expense				(944)
<b>Net profit for the period</b>				<b>5,469</b>

**A. Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 (“MFRS 134”) (continued)**

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**A9. Subsequent Material Event**

There was no material event subsequent to the current financial quarter ended 30 September 2019 up to the date of the announcement of this report which is likely to substantially affect the results of the operations of the Group for the current financial quarter under review.

**A10. Changes in the Composition of the Group**

As at 30 September 2019, there is no changes in the composition of the Group.

**A11. Changes in Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets for the current financial quarter under review.

**A12. Recurrent Related Party Transactions (“RRPT”)**

On 26 December 2017, we have entered into a tenancy agreement with MY E.G. Services Berhad for renting office space located at Level 31, MYEG Tower, Empire City. No. 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya. Detail of transaction as follows :

Term of tenancy : 1 December 2017 to 31 November 2020  
Monthly rental : RM30,256.20

**A13. Capital Commitments**

On 16 November 2018, the company entered into a Sales and Purchase Agreement (SPA) with Cosmopolitan Avenue Sdn Bhd for the purchase of commercial space for an aggregate purchase consideration of RM9,864,600.00. This is fully paid as of 3 May 2019.

**A14. Memorandum of Understanding (MOU)**

On 1 August 2017, The Board of Directors of EForce announced the signing of a MOU with Aquis for software and operations support. The MOU concerns intention to enter into a software delivery, support and operations agreement in the area of designing and building infrastructure and software, and customised training to support operationalization.

As at reporting date, we are still in discussion with Aquis and has not formalise the MOU into a definitive agreement yet.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)**

**B1. Review of Group's Performance**

*Current Year -to date vs. Previous Year-to date*

	Individual Period		Changes (Amount/%)	Cumulative Period		Changes (Amount/%)
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	30/09/19	30/09/18		30/09/19	30/09/18	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	5,612	5,524	88 /2%	17,198	17,373	(175) / (1%)
Operating Profit	1,545	658	887 / 135%	5,175	4,567	608 /13%
Profit Before Interest and Tax	1,540	1,639	(99) / (6%)	5,150	5,851	(701) / (12%)
Profit Before Tax	2,119	1,923	196 / 10%	6,303	6,413	(110) / (2%)
Profit After Tax	1,555	1,915	(360) / (19%)	4,880	5,469	(589) / (11%)
Profit Attributable to Ordinary Equity Holders of the Parent	1,555	1,915	(360) / (19%)	4,880	5,469	(589) / (11%)

The Group registered a turnover of RM17.2 million for the past 9 months, a 1% decrease compared to corresponding period in 2018. This result was achieved on the background of Bursa Malaysia suffering a 22.6% decrease in average daily trading value for securities market's on market trades and 6% to 28% decrease for securities market velocity.

Despite current challenging business and securities market trading condition, we managed to exceed our profit before tax (PBT) by 10% for the current quarter and just 2% shy of last year's performance when compared on year to date basis.

Due to exemption for RPGT in 2018, we have enjoyed a tax advantage that resulted in higher profit after tax (PAT). This has now normalised in the current financial period.

## B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B)

### B2. Variation of Results against Preceding Quarter

	Current Quarter 30/09/19	Immediate Preceding Quarter 31/06/19	Changes (Amount / %)
	RM'000	RM'000	RM'000
Revenue	5,612	5,328	284 / 5%
Operating Profit	1,545	1,565	(20) / (1%)
Profit Before Interest and Tax	1,540	1,549	(9) / (0.6%)
Profit Before Tax	2,119	1,836	283 / 15%
Profit After Tax	1,555	1,452	103 / 7%
Profit Attributable to Ordinary Equity Holders of the Parent	1,555	1,452	103 / 7%

The Group's revenue increased by 5% compared to the immediate preceding quarter due to increase in billing for application system enhancements and technology refreshment under our Application Solution segment.

The Group's PBT improved by 15% due to increase in interest income and strict cost management to protect margin. We will continue to be vigilant in our spend to sustain our profit margin amidst current volatile business and market condition.

### B3. Prospects for 2019

The uncertain business conditions and challenges ahead are tough but not unsurmountable. The Group intends to continue focusing on the customers to meet their needs and monitor closely on global trends and developments for insights and opportunities.

We are actively engaged with our customers (stockbrokers and bankers) to ensure our trading systems are enhanced, updated and ready for any uptick in daily share volume and value, new trading features and shortened settlement cycle. In addition, we are developing new solutions that will help customers target growth in business volume and improve processes to reduce operational costs.

Given the above and barring any unforeseen circumstances, the group is positive on our future business.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)**

**B4. Variance of Profit Forecast and Shortfall in Profit Guarantee**

The Group has not issued any profit forecast nor profit guarantee for the current financial quarter under review and the financial year.

**B5. Taxation**

The taxation charge for the individual financial quarter and the financial year are as follows:

	Individual Financial Quarter Ended		Year-to-date Ended	
	30.09.19 RM'000	30.09.18 RM'000	30.09.19 RM'000	30.09.18 RM'000
Income tax	564	8	1,423	944
Deferred tax	-	-	-	-
	<u>564</u>	<u>8</u>	<u>1,423</u>	<u>944</u>

**B6. Status of Corporate Proposals**

There were no corporate proposals announced as at the date of this quarterly report.

**B7. Cash and Cash Equivalents**

The Group cash and cash equivalents as at 30 September 2019 comprise of:-

	<b>RM'000</b>
Cash in hand	7
Cash at banks	3,902
Short term fund – Investment in fixed income trust funds	54,795
	<u>58,704</u>

**B8. Trade and Other Receivables**

	<b>RM'000</b>
Trade receivables	5,313
Other receivables	21,340
	<u>26,653</u>

**Analysis of the trade receivables ageing of the Group is as follows:**

	<b>RM'000</b>
0 – 30 days	2,002
31 – 60 days	1,115
61 – 90 days	262
91 – 120 days	514
121 – 150 days	164
More than 150 days	1,466
	<u>5,523</u>
Expected Credit Loss	(180)
Impairment (specific)	(30)
Net trade receivables	<u>5,313</u>

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS  
(APPENDIX 9B) (continued)**

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**B9. Group Borrowings and Debt Securities**

The Company does not have any borrowing and debt securities as at the date of this report.

**B10. Off Balance Sheet Financial Instruments**

The Company does not have any off balance sheet financial instruments as at the date of this report.

**B11. Material Litigation**

The Group is not engaged in any material litigation either as plaintiff or defendant and the Board does not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

**B12. Dividends**

On 22 August 2019, the Board of Directors has declared the first interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM3.1 million in respect of financial year ending 31 December 2019. The dividend was paid on 19 September 2019.

On 26 November 2019, the Board of Directors has declared the second interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM3.1 million in respect of financial year ending 31 December 2019. The dividend will be paid on 18 December 2019.



(Company No.: 570777-X)  
(Incorporated in Malaysia under the Companies Act, 1965)

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)**

**B13. Earnings per Share ("EPS")**

	Individual Financial Quarter Ended		Year to date Ended	
	30.09.19	30.09.18	30.09.19	30.09.18
<b><u>(a) Basic EPS</u></b>				
Net profit attributable to the equity holders of the Company (RM'000)	1,555	1,915	4,880	5,469
Weighted average number of ordinary shares in issue ('000)	615,378	414,482	615,378	414,482
Basic EPS (sen)	<u>0.25</u>	<u>0.46</u>	<u>0.79</u>	<u>1.32</u>

The calculation of the basic EPS is based on the net profit attributable to equity holders of the parent for the current financial quarter / year ended 30 September 2019, divided by the weighted average number of ordinary shares outstanding during the financial year.

	Individual Financial Quarter Ended		Year to date Ended	
	30.09.19	30.09.18	30.09.19	30.09.18
<b><u>(b) Diluted EPS</u></b>				
Net profit attributable to the equity holders of the Company (RM'000)	1,555	1,915	4,880	5,469
Weighted average number of ordinary shares in issue ('000)	615,378	414,482	615,378	414,482
Adjusted for :				
Assumed full conversion of Warrants (expiry 17 July 2019)	-	205,822	-	205,822
	<u>615,378</u>	<u>620,304</u>	<u>615,378</u>	<u>620,304</u>
Diluted EPS (sen)	<u>0.25</u>	<u>0.31</u>	<u>0.79</u>	<u>0.88</u>

The calculation of the diluted EPS is based on the net profit attributable to equity holders of the parent for the current financial quarter / year ended 30 September 2019, divided by the weighted average number of ordinary shares outstanding during the financial year. As the warrants has been expired on 17 July 2019, the diluted EPS will be same as basic EPS.

**B. EXPLANATORY NOTES AS PER MAIN MARKET LISTING REQUIREMENTS (APPENDIX 9B) (continued)**

**B14. Profit for the year**

	Individual Financial Quarter Ended		Year-to-date Ended	
	30.09.19 RM'000	30.09.18 RM'000	30.09.19 RM'000	30.09.18 RM'000
<b>Profit for the year is arrived after charging:</b>				
Amortisation of development costs	613	526	1,840	1,578
Depreciation of property, plant and equipment	264	294	798	895
Loss on foreign exchange	<u>3</u>	<u>1</u>	<u>12</u>	<u>11</u>
<b>and after crediting:</b>				
Gain on disposal of property, plant and equipment	-	2,450	-	2,452
Gain on foreign exchange	4	9	6	6
Interest income from deposits with licensed bank	575	285	1,136	562
Rental income	<u>-</u>	<u>84</u>	<u>-</u>	<u>386</u>

Notes:

\* Denotes amount less than RM1,000