

**Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2020**

**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	
	31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
Revenue	9,172	5,765	31,386	22,963
Cost of sales	(2,845)	(2,304)	(10,500)	(8,274)
<b>Gross profit</b>	<u>6,327</u>	<u>3,461</u>	<u>20,886</u>	<u>14,689</u>
Other income	29	342	1,076	1,485
Other operating expenses	295	(327)	(1,273)	(1,431)
Marketing expenses	(14)	(14)	(30)	(30)
Administrative expenses	(2,386)	(1,481)	(6,478)	(6,366)
Impairment on financial instruments	636	11	4	(37)
Finance cost	(3)	(4)	(9)	(20)
<b>Profit before tax</b>	<u>4,884</u>	<u>1,988</u>	<u>14,176</u>	<u>8,290</u>
Tax expense	(1,033)	(397)	(3,354)	(1,819)
<b>Profit for the financial year</b>	<u>3,851</u>	<u>1,592</u>	<u>10,822</u>	<u>6,471</u>
<b>Other comprehensive income for the financial year, net of tax</b>	<u>(662)</u>	<u>(26)</u>	<u>(662)</u>	<u>(26)</u>
<b>Total comprehensive income for the financial year</b>	<u>3,189</u>	<u>1,566</u>	<u>10,160</u>	<u>6,445</u>
<b>Profit for the financial year attributable to:</b>				
Owners of the parent	<u>3,851</u>	<u>1,592</u>	<u>10,822</u>	<u>6,471</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	<u>3,189</u>	<u>1,566</u>	<u>10,160</u>	<u>6,445</u>
<b>Earnings per share</b>				
- Basic (sen)	<u>0.68</u>	<u>0.35</u>	<u>1.92</u>	<u>1.38</u>
- Diluted (sen)	<u>0.68</u>	<u>0.35</u>	<u>1.92</u>	<u>1.38</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 2019 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2020**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*(The figures have not been audited)*

	(Unaudited) 31.12.2020	(Audited) 31.12.2019
Note	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,525	2,491
Rights-of-use assets	20,760	20,097
Product development costs	11,931	11,318
Other investment	13,042	13,704
<b>Total non-current assets</b>	<b>48,258</b>	<b>47,610</b>
<b>Current assets</b>		
Inventories	24	24
Trade and other receivables	B8 31,333	31,007
Cash and cash equivalents	B7 22,853	22,789
Tax recoverable	B5 -	4
<b>Total current assets</b>	<b>54,210</b>	<b>53,824</b>
<b>TOTAL ASSETS</b>	<b>102,468</b>	<b>101,434</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	89,303	89,303
Reserves	31,173	26,607
Treasury shares	(27,561)	(19,441)
	92,915	96,469
<b>TOTAL EQUITY</b>	<b>92,915</b>	<b>96,469</b>

**Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2020**

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

*(The figures have not been audited)*

	(Unaudited) 31.12.2020 RM'000	(Audited) 31.12.2019 RM'000
<b>EQUITY AND LIABILITIES</b> <b>(continued)</b>		
<b>Current liabilities</b>		
Trade and other payables	5,663	3,100
Contract liabilities	1,705	1,386
Lease Liabilities	1,005	353
Tax payable	1,180	126
<b>Total current liabilities</b>	9,553	4,965
<b>TOTAL LIABILITIES</b>	9,553	4,965
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>102,468</b>	<b>101,434</b>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>	0.17	0.17

*(The unaudited Condensed Consolidated Statements of Financial Position should read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

*(The figures have not been audited)*

	<-----Attributable to owners of the parent ----->					
	<-----Non – distributable reserves----->				Distributable Retained Earnings	Total Equity
	Share Capital	Treasury Shares	Fair Value Reserve	Other Reserve		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	89,303	(19,441)	(26)	(81)	26,714	96,469
Profit for the financial year	-	-	-	-	10,822	10,822
Other comprehensive loss for the financial year	-	-	(662)	-	(662)	(662)
Share repurchased	-	(8,120)	-	-	-	(8,120)
Dividends paid	-	-	-	-	(5,594)	(5,594)
<b>As at 31 December 2020</b>	<b>89,303</b>	<b>(27,561)</b>	<b>(688)</b>	<b>(81)</b>	<b>31,280</b>	<b>92,915</b>

	<-----Attributable to owners of the parent ----->					
	<-----Non – distributable reserves----->				Distributable Retained Earnings	Total Equity
	Share Capital	Treasury Shares	Fair Value Reserve	Other Reserve		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	20,998	-	-	(81)	26,285	47,202
Effect of adoption of MRFS16	-	-	-	-	(13)	(13)
At 1 January 2019, as restated	20,998	-	-	(81)	26,272	47,189
Profit for the financial year	-	-	-	-	6,471	6,471
Other comprehensive loss for the financial year	-	-	(26)	-	-	(26)
Issuance of ordinary shares pursuant to exercise of warrant	68,305	-	-	-	-	68,305
Share repurchased	-	(19,441)	-	-	-	(19,441)
Dividends paid	-	-	-	-	(6,029)	(6,029)
<b>As at 31 December 2019</b>	<b>89,303</b>	<b>(19,441)</b>	<b>(26)</b>	<b>(81)</b>	<b>26,714</b>	<b>96,469</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 2019 and the accompanying explanatory notes attached to the interim financial statements.)*

**Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2020**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

*(The figures have not been audited)*

	Note	12 Months Period Ended	
		31.12.2020 RM'000	31.12.2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		14,176	8,290
Adjustments for:			
Impairment loss on trade receivables		(15)	37
Amortisation of product development costs		2,523	2,453
Depreciation of property, plant and equipment		653	1,066
Depreciation of right-of-use assets		369	-
Unrealised loss on foreign exchange		8	4
Finance cost		9	20
Interest income from deposits with licensed banks		(1,081)	(1,473)
Operating profit before working capital changes		16,642	10,397
Changes in working capital:			
Decrease in inventories		-	21
(Increase) in trade and other receivables		(452)	(24,404)
Increase/(Decrease) in trade and other payables		3,676	(7,036)
Cash generated from/(used in) operations		19,866	(21,020)
Tax paid		(2,297)	(1,693)
Interest paid		(9)	(20)
<b>Net cash from/(used) in operating activities</b>		<b>17,560</b>	<b>(22,733)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		1,081	1,473
Acquisition of property, plant and equipment		(686)	(437)
Acquisition of right-of-use assets		(1,032)	(11,371)
Proceed from disposal of property, plant and equipment		-	1
Addition of product development costs		(3,137)	(2,681)
Purchase of other investment		-	(13,731)
<b>Net cash used in investing activities</b>		<b>(3,774)</b>	<b>(26,746)</b>

**Interim Financial Report on Consolidated Results for the Financial Year Ended 31 December 2020**

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

*(The figures have not been audited)*

	Note	12 Months Period Ending	
		31.12.2020	31.12.2019
		RM'000	RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liability		-	(375)
Purchase of treasury shares		(8,120)	(19,441)
Proceed from issuance of ordinary shares		-	68,305
Dividend paid		(5,594)	(6,029)
<b>Net cash from/(used) in financing activities</b>		<b>(13,714)</b>	<b>42,460</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>72</b>	<b>(7,019)</b>
<b>Effects of exchange translation differences on cash and cash equivalent</b>		<b>(8)</b>	<b>(5)</b>
<b>Cash and cash equivalents at 1 January</b>		<b>22,789</b>	<b>29,813</b>
<b>Cash and cash equivalents at 31 December</b>	B7	<b>22,853</b>	<b>22,789</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 2019 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 31 December 2020, 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 2019. 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 2019.

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
Amendments to MFRS 16	1 June 2020
Covid-19 – Related Rent Concessions	
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	1 January 2021
Amendments to MFRS 3	1 January 2022
Reference to the Conceptual Framework	
Amendment to MFRS 116	1 January 2022
Property, Plant and Equipment- Proceeds before Intended Use	
Amendment to MFRS 137	1 January 2022
Onerous Contract-Cost of Fulfilling a Contract	
Annual Improvements to MFRSs Standards 2018 - 2020:	1 January 2022
• Amendments to MFRS 1	
• Amendments to MFRS 9	
• Amendments to MFRS 16	
• Amendments to MFRS 141	
MFRS 17	1 January 2023
Insurance Contracts	
Amendments to MFRS 17	1 January 2023
Insurance Contracts	
Amendment to MFRS 101	1 January 2023
Classification of Liabilities as Current and Non-Current	
Amendments to MFRS 10 and MFRS 128	Deferred until further notice
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	

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.

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

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**A2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2019 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.

**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.

**A7. Dividends**

On 24 August 2020, the Board of Directors has declared the first interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM2.8 million in respect of financial year ending 31 December 2020. The dividend was paid on 23 September 2020.

On 24 November 2020, the Board of Directors has declared the second interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM2.8 million in respect of financial year ending 31 December 2020. The dividend was paid on 23 December 2020.

**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 Year Ended</u></b>	<b>AS</b>	<b>ASP</b>	<b>Maintenance</b>	<b>Total</b>
<b><u>31 December 2020</u></b>	<b>RM'000</b>	<b>RM'000</b>	<b>Services</b>	<b>RM'000</b>
			<b>RM'000</b>	
<b>Revenue</b>				
Total revenue	1,241	7,518	491	9,250
Inter-segment revenue	-	(78)	-	(78)
Revenue from external customers	1,241	7,440	491	9,172
<b>Results</b>				
Segment results	475	4,053	318	4,846
Finance costs	-	-	-	(3)
Interest income from deposits with licensed bank				41
Profit before tax				4,884
Income tax expense				(1,033)
<b>Net profit for the year / Total comprehensive income for the year</b>				<b>3,851</b>

<b><u>3 Months Year Ended</u></b>	<b>AS</b>	<b>ASP</b>	<b>Maintenance</b>	<b>Total</b>
<b><u>31 December 2019</u></b>	<b>RM'000</b>	<b>RM'000</b>	<b>Services</b>	<b>RM'000</b>
			<b>RM'000</b>	
<b>Revenue</b>				
Total revenue	1,253	4,102	500	5,855
Inter-segment revenue	-	(90)	-	(90)
Revenue from external customers	1,253	4,012	500	5,765
<b>Results</b>				
Segment results	361	1,099	196	1,656
Finance costs	-	-	-	(4)
Interest income from deposits with licensed bank				336
Profit before tax				1,988
Income tax expense				(396)
<b>Net profit for the year / Total comprehensive income for the year</b>				<b>1,592</b>

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

**A8. Segmental Reporting (continue)**

**(b) Cumulative quarter**

<b><u>12 Months Year Ended</u></b> <b><u>31 December 2020</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	3,594	26,135	1,971	31,700
Inter-segment revenue	-	(314)	-	(314)
Revenue from external customers	3,594	25,821	1,971	31,386
<b>Results</b>				
Segment results	1,464	10,622	1,018	13,104
Finance costs	-	-	-	(9)
Interest income from deposits with licensed bank				1,081
Profit before tax				14,176
Income tax expense				(3,354)
<b>Net profit for the year / Total comprehensive income for the year</b>				<b>10,822</b>

<b><u>12 Months Year Ended</u></b> <b><u>31 December 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	5,013	16,144	2,044	23,291
Inter-segment revenue	-	(328)	-	(328)
Revenue from external customers	5,013	15,815	2,044	22,963
<b>Results</b>				
Segment results	2,071	3,978	788	6,837
Finance costs	-	-	-	(20)
Interest income from deposits with licensed bank				1,473
Profit before tax				8,290
Income tax expense				(1,819)
<b>Net profit for the year / Total comprehensive income for the year</b>				<b>6,471</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 31 December 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**

On 25 August 2020, the Group incorporate a new wholly owned subsidiary, Xifu Sdn Bhd. The principal activities is provision of information platform for investment education and training services.

**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”)**

The 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 has been renewed for another 3 years. Detail of transaction as follows:

Term of tenancy: 1 December 2020 to 30 November 2023  
Monthly rental: RM31,256.20

**A13. Capital Commitments**

There is no capital commitments for the current financial quarter under review.

**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	
	31/12/20	31/12/19		31/12/20	31/12/19	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	9,172	5,765	3,407 / 59%	31,386	22,963	8,423 / 37%
Operating Profit	4,859	1,650	3,209 / 194%	13,109	6,825	6,204 / 92%
Profit Before Interest and Tax	4,840	1,647	3,193 / 194%	13,086	6,797	6,289 / 93%
Profit Before Tax	4,884	1,988	2,896 / 146%	14,176	8,290	5,886 / 71%
Profit After Tax	3,851	1,572	2,279 / 145%	10,822	6,471	4,351 / 67%
Profit Attributable to Ordinary Equity Holders of the Parent	3,189	1,566	1,623 / 104%	10,160	6,445	3,715 / 58%

For the quarter under review, the Group registered an increase of 59% or RM3.4 million in revenue compared to same quarter last year. The continuing interest of retail investors in Bursa securities sustained the overall high daily trading volume in quarter 4. Hence the sustained growth in our increase in Application Services Providers (“ASP”) revenue. However, our Application Solution (AS) segment performance was flat to last year. System enhancement project implementations resumed earnestly in this quarter, and billings for work done expected next year.

For the 12 months ended 31 December 2020, the group's revenue surged by RM8.4 million or 37% to RM31.4 million compared to same period last year, while Profit Before Tax (PBT) and Profit After Tax (PAT) increased by RM5.9 million and RM4.4 million to RM14.2 million and RM10.8 million respectively.

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

### B2. Variation of Results against Preceding Quarter

	Current Quarter 31/12/20	Immediate Preceding Quarter 30/09/20	Changes (Amount / %)
	RM'000	RM'000	RM'000
Revenue	9,172	8,892	279 / 3%
Operating Profit	4,859	3,301	1,557 / 47%
Profit Before Interest and Tax	4,840	3,287	1,553 / 47%
Profit Before Tax	4,884	3,607	1,277 / 35%
Profit After Tax	3,851	2,609	1,242 / 48%
Profit Attributable to Ordinary Equity Holders of the Parent	3,189	2,609	580 / 22%

For the quarter under review, the Group recorded a 3% increase in revenue compared to immediate preceding quarter. The increase was mainly attributed to higher billing in Application Solution (AS) segment. PBT and PAT recorded an increase of 35% and 48% respectively.

### B3. Prospects for 2021

The growth of the Malaysian economy is not expected to be robust. With the on-going Movement Control Orders, many industries are badly affected. Fortunately the stock broking and trading business is experiencing a resurgence, fueled by participation of retail investors. The increasing use of social media for investment will further propel this global phenomenon.

Bursa Malaysia continues to record high daily trading volume and value since the beginning of 2021. These are good news for our customers (stockbrokers and bankers) and to the Group. The sustained participation of retail traders and high volume of transactions will contribute positively to our ASP segment.

We are working closely with our customers to refresh their system hardware and infrastructure, and enhance system capability to meet current and future trading needs. Concurrently, we are developing new solutions to help customers improve and digitalise their internal processes to reduce operational costs and increase work efficiency.

Given the above and barring any unforeseen circumstances, the Group is positive on the performance of 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	
	31.12.20 RM'000	31.12.19 RM'000	31.12.20 RM'000	31.12.19 RM'000
Income tax	1,033	396	3,354	1,819
Deferred tax	-	-	-	-
	<u>1,033</u>	<u>396</u>	<u>3,354</u>	<u>1,819</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 2020 comprises:

	<b>RM'000</b>
Cash in hand	7
Cash at banks	2,763
Short term fund – Investment in fixed income trust funds	20,083
	<u>22,853</u>

**B8. Trade and Other Receivables**

	<b>RM'000</b>
Trade receivables	5,848
Other receivables	25,485
	<u>31,333</u>

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

	<b>RM'000</b>
0 – 30 days	2,592
31 – 60 days	1,840
61 – 90 days	604
91 – 120 days	3
121 – 150 days	205
More than 150 days	787
	<u>6,031</u>
Expected Credit Loss	(160)
Impairment (specific)	(23)
Net trade receivables	<u>5,848</u>

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

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**B9. Group Borrowings and Debt Securities**

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

**B10. Off Balance Sheet Financial Instruments**

The Group 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 24 August 2020, the Board of Directors has declared the first interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM2.8 million in respect of financial year ending 31 December 2020. The dividend was paid on 23 September 2020.

On 24 November 2020, the Board of Directors has declared the second interim single tier dividend of 0.50 sen per ordinary share, amounting to approximately RM2.8 million in respect of financial year ending 31 December 2020. The dividend was paid on 23 December 2020.

**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	
	31.12.20	31.12.19	31.12.20	31.12.19
<b><u>(a) Basic EPS</u></b>				
Net profit attributable to the equity holders of the Company (RM'000)	3,851	1,592	10,822	6,472
Weighted average number of ordinary shares in issue ('000)	562,480	467,507	562,480	467,507
Basic EPS (sen)	<u>0.68</u>	<u>0.35</u>	<u>1.92</u>	<u>1.38</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 31 December, divided by the weighted average number of ordinary shares outstanding during the financial year.

	Individual Financial Quarter Ended		Year to date Ended	
	31.12.20	31.12.19	31.12.20	31.12.19
<b><u>(b) Diluted EPS</u></b>				
Net profit attributable to the equity holders of the Company (RM'000)	3,851	1,592	10,822	6,472
Weighted average number of ordinary shares in issue ('000)	562,480	467,507	562,480	467,507
	<u>559,378</u>	<u>467,507</u>	<u>562,480</u>	<u>467,507</u>
Diluted EPS (sen)	<u>0.68</u>	<u>0.35</u>	<u>1.92</u>	<u>1.38</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 31 December, divided by the weighted average number of ordinary shares outstanding during the financial year.



**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	
	31.12.20 RM'000	31.12.19 RM'000	31.12.20 RM'000	31.12.19 RM'000
<b>Profit for the financial year is arrived after charging:</b>				
Amortisation of product development costs	631	613	2,523	2,453
Depreciation of property, plant and equipment	168	269	652	1,066
Depreciation of right-of-use assets	88	-	369	-
Loss on foreign exchange	21	3	47	15
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>and after crediting:</b>				
Gain on foreign exchange	-	(10)	22	(4)
Interest income from deposits with licensed bank	41	337	1,081	1,473
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>