



CAPITAL WORLD LIMITED

(Company Registration No: CT-276295)

(Incorporated in the Cayman Islands on 15 March 2013)

UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

PART I INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i). An income statement and statement of comprehensive income, or a statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Financial year ended 30 June		
	2020 (Unaudited) RM'000	2019 (Audited) RM'000	Change %
Revenue	3,092	141,200	(98)
Cost of sales	(4,925)	(48,105)	(90)
Gross (loss) / profit	(1,833)	93,095	(102)
Other income	7,542	13,836	(45)
Selling and distribution expenses	(871)	(2,871)	(70)
General and administrative expenses	(147,755)	(134,212)	10
Finance costs	(5,339)	(23,172)	(77)
Loss before tax	(148,256)	(53,324)	178
Income tax	(3,286)	7,719	(143)
Loss after tax	(151,542)	(45,605)	232
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation reserve released on disposal of a subsidiary company	-	306	(100)
Exchange differences arising from translation of foreign operations	456	970	(53)
Other comprehensive (loss) / income, net of tax	456	1,276	(64)
Total comprehensive loss, net of tax	(151,086)	(44,329)	241
Loss attributable to:			
Owners of the Company	(152,370)	(44,795)	240
Non-controlling interests	828	(810)	(202)
	(151,542)	(45,605)	232
Total comprehensive loss attributable to:			
Owners of the Company	(151,914)	(43,521)	249
Non-controlling interests	828	(808)	(202)
	(151,086)	(44,329)	241

n.m: Denotes not meaningful

1(a). (ii) . The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year :

	Group		
	Financial year ended 30 June		
	2020 (Unaudited) RM'000	2019 (Audited) RM'000	Change %
Profit for the year is arrived at after (crediting) / charging :			
Audit fees:			
of the Company	296	376	(21)
other auditors	94	73	29
Allowance for estimated credit losses / Impairment of trade receivables	15,187	2,441	522
Allowance for impairment of goodwill	-	11,378	(100)
Allowance for impairment of inventories	1,900	2,600	(27)
Allowance for impairment of other receivables	12,935	-	n.m.
Allowance for impairment of mining rights	20,586	57,495	(64)
Allowance for impairment of property, plant & equipment	51,559	3,129	1,548
Amortisation of deferred expenditure	4,021	4,517	(11)
Amortisation of facility fee on convertible bond	-	7,579	(100)
Amortisation of intangible assets	1,272	3,692	(66)
Deferred tax asset expensed off	1,570	-	n.m.
Depreciation of property, plant & equipment	4,406	5,229	(16)
Depreciation of investment property	4,623	3,511	32
Employee remunerations	4,739	7,428	(36)
Fair value gain on derivatives	-	(1,737)	(100)
Interest expense	5,339	23,172	(77)
Interest income	(350)	(533)	(34)
Inventories written off	-	937	(100)
Loss on deposit forfeited	-	500	(100)
Gain on disposal of a subsidiary	(5,183)	(3,640)	42
Property, plant & equipment written off	143	280	(49)
Rental of office equipment	63	35	80
Rental of premises	257	599	(57)

n.m: Denotes not meaningful

1(b)(i). A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 30.06.20 (Unaudited) RM'000	As at 30.06.19 (Audited) RM'000	As at 30.06.20 (Unaudited) RM'000	As at 30.06.19 (Audited) RM'000
Current assets				
Inventory properties	343,308	223,333	-	-
Inventories	67	3,946	-	-
Deferred expenditure	-	4,021	-	-
Trade receivables	7,144	10,281	-	-
Other receivables, deposits and prepayments	2,110	25,853	325	137
Amounts due from subsidiaries	-	-	80,492	101,400
Cash on hand and at banks	1,299	3,224	11	47
	353,928	270,658	80,828	101,584
Non current assets held for sale				
- Investment Property	226,539	-	-	-
	580,467	270,658	80,828	101,584
Non-current assets				
Inventory properties	-	121,774	-	-
Trade receivables	-	14,495	-	-
Property, plant and equipment	61,062	129,073	179	190
Investment property	-	231,162	-	-
Intangible assets	432	23,179	-	-
Deferred tax asset	-	3,473	-	-
Investment in subsidiaries	-	-	107,434	661,635
	61,494	523,156	107,613	661,825
Total assets	641,961	793,814	188,441	763,409
Current liabilities				
Trade payables	302,775	70,838	-	-
Other payables and accruals	101,575	82,511	17,432	10,340
Deferred revenue	5,000	3,068	-	-
Amount due to subsidiaries	-	-	5,422	-
Loans and borrowings	44,689	44,572	17,027	18,097
Provision for taxation	35,386	12,942	294	293
	489,425	213,931	40,175	28,730
Non-current liabilities				
Trade payables	-	247,424	-	-
Other payables	-	5,306	-	-
Provision for taxation	-	23,205	-	-
Deferred tax liabilities	1,312	1,639	-	-
	1,312	277,574	-	-
Total liabilities	490,737	491,505	40,175	28,730
Equity				
Share capital	176,240	176,240	225,365	225,365
Reserves	(25,016)	126,897	(77,099)	509,314
Equity attributable to owners of the Company	151,224	303,137	148,266	734,679
Non-controlling interests	-	(828)	-	-
Total equity	151,224	302,309	148,266	734,679
Total equity and liabilities	641,961	793,814	188,441	763,409

1(b)(ii). In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures at the end of the immediately preceding financial year.

	Group			
	As at 30.06.20		As at 30.06.19	
	(Unaudited)		(Audited)	
	RM'000		RM'000	
	Secured	Unsecured	Secured	Unsecured
Amount repayable within one year	44,689	-	44,572	-
Amount repayable after one year	-	-	-	-
	44,689	-	44,572	-

The loans and borrowings are mainly secured by the following: -

The Group's secured borrowings as at 30 June 2020 and 30 June 2019 comprised (i) a HK\$ loan which was secured by pledge and charge of certain shares by the controlling shareholders and corporate guarantee by the Company; and (ii) Convertible Loan which were secured by pledge and charge of certain shares by the controlling shareholders.

1(c). A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	Financial year ended 30 June	
	2020 (Unaudited) RM'000	2019 (Restated) RM'000
Cash flows from operating activities		
Loss before tax	(148,256)	(53,324)
Adjustments for:		
Depreciation of property, plant and equipment	4,406	5,229
Depreciation of investment properties	4,623	3,511
Amortisation of intangible assets	1,272	3,648
Amortisation of deferred expenditure	4,021	4,528
Amortisation of fulfilment cost	-	151
Gain on disposal of a subsidiary	(5,183)	(3,641)
Property, plant and equipment written off	143	306
Provision for impairment of inventories	1,900	2,600
Inventory written off	-	937
Allowance for estimated credit losses / Impairment of trade receivables	15,187	2,441
Allowance for impairment of other receivables	12,935	-
Allowance for impairment of mining rights	20,586	57,495
Allowance for impairment of goodwill	-	11,378
Allowance for impairment of property, plant and equipment	51,559	3,129
Fair value gain on derivative	-	(5,249)
Loss on deposit forfeited	-	500
Amortisation of facility fee on convertible bond	-	7,579
Interest income	(350)	(2,527)
Interest expense	5,339	23,172
Operating cash flows before changes in working capital	(31,817)	61,863
Changes in working capital:		
Inventories	1,979	1,578
Inventory properties	20,042	(54,968)
Deferred expenditure	-	(2,800)
Trade and other receivables	13,242	7,974
Trade, other payables and deferred revenue	204	42,905
	3,650	56,552
Interest paid	(5,339)	(17,840)
Interest received	350	2,527
Tax paid	(901)	(8,593)
Net cash flows (used in) / generating from operating activities	(2,240)	32,646

	Group	
	Financial year ended 30 June	
	2020	2019
	(Unaudited)	(Restated)
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(258)	(31,779)
Purchase of intangible assets	-	(1,813)
Costs incurred on investment properties	-	(41,002)
Net cash received from disposal of a subsidiary	-	1,099
Net cash flows used in investing activities	(258)	(73,495)
Cash flows from financing activities		
Proceeds from loans and borrowings	1,155	9,173
Repayment of loans and borrowings	(1,038)	(21,535)
Withdrawal/(Placement) of secured bank deposit	-	5,200
Repayment of hire purchase payables	-	(37)
Proceeds from issuance of placement shares	-	25,943
Net cash flows generated from financing activities	117	18,744
Net (decrease)/increase in cash and cash equivalents	(2,381)	(22,105)
Cash and cash equivalents at beginning of financial year	2,399	23,454
Effect of exchange rate changes in cash and cash equivalents	456	1,050
Cash and cash equivalents at end of year	474	2,399
Cash and cash equivalents comprise:	As at 30 Jun 2020	As at 30 Jun 2019
Fixed deposits	-	-
Cash on hand and at banks	1,299	3,224
	1,299	3,224
Cash at bank and deposits not available for use	(825)	(825)
	474	2,399

1(d)(i). A statement (for the Issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Share premium	Capital reserve	Merger reserve	Equity component of Convertible Bond	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group (Unaudited)										
Balance as at 1 July 2019	176,240	3,824	-	5,000	186	1,069	116,819	303,138	(828)	302,310
Total comprehensive loss for the year	-	-	-	-	-	456	(152,370)	(151,914)	828	(151,086)
	-	-	-	-	-	456	(152,370)	(151,914)	828	(151,086)
Balance as at 30 Jun 2020	176,240	3,824	-	5,000	186	1,525	(35,551)	151,224	-	151,224
Balance as at 1 July 2018	112,085	15,413	-	5,000	200	(205)	169,421	301,914	86	302,000
Effects on unwinding cost and loan interest										
- As at 1 July 2017	-	-	-	-	-	-	(5,908)	(5,908)	-	(5,908)
-For year 2018	-	-	-	-	-	-	(2,013)	(2,013)	-	(2,013)
	-	-	-	-	-	-	(7,921)	(7,921)	-	(7,921)
Issuance of new share	64,155	(11,589)	-	-	-	-	-	52,566	-	52,566
Equity components of convertible bonds	-	-	-	-	100	-	-	100	-	100
Total comprehensive loss for the year	-	-	-	-	(114)	1,274	(44,681)	(43,521)	(808)	(44,329)
Disposal of interest in a subsidiary company	-	-	-	-	-	-	-	-	(106)	(106)
	64,155	(11,589)	-	-	(14)	1,274	(44,681)	9,145	(914)	8,231
Balance as at 30 Jun 2019	176,240	3,824	-	5,000	186	1,069	116,819	303,138	(828)	302,310

	Share capital	Share premium	Capital reserve	Merger reserve	Equity component of Convertible Bond	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company (Unaudited)										
Balance as at 1 July 2019	225,365	645,581	487	-	186	1,825	(138,765)	734,679	-	734,679
Total comprehensive loss for the year	-	-	-	-	-	-	(586,413)	(586,413)	-	(586,413)
Balance as at 30 Jun 2020	225,365	645,581	487	-	186	1,825	(725,178)	148,266	-	148,266
Balance as at 1 July 2019	161,210	657,170	487	-	200	3,618	(28,028)	794,657	-	794,657
Issuance of new share	64,155	(11,589)	-	-	-	-	-	52,566	-	52,566
Equity components of convertible bonds	-	-	-	-	100	-	-	100	-	100
Redemption of equity component of convertible bond	-	-	-	-	(114)	-	114	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	(1,793)	(110,851)	(112,644)	-	(112,644)
	64,155	(11,589)	-	-	(14)	(1,793)	(110,737)	(59,978)	-	(59,978)
Balance as at 30 Jun 2019	225,365	645,581	487	-	186	1,825	(138,765)	734,679	-	734,679

1(d)(ii). Details of any changes in the Company’s share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of issued shares	Share capital RM'000
As at 30 June 2019	1,832,094,554	225,365
As at 30 June 2020	1,832,094,554	225,365

There is no issuance of new ordinary shares during the financial year ended 30 June 2020.

As at 30 June 2020, the Company had outstanding shares of 362,538,561 shares to be issued pursuant to a Convertible Loan (“CL”) Agreement entered by the Company on 3 October 2019 in the event of conversion of the CL by the CL holders.

As at 30 June 2019, the Company had outstanding shares of 73,170,732 to be issued pursuant to Convertible Bonds (“CB”) Subscription Agreement entered by the Company in the event of conversion of the CB by the CB holders.

Other than the above, there were no other outstanding convertibles, options, treasury shares or subsidiary holding as at 30 June 2020 and 30 June 2019 respectively.

1(d)(iii). Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.06.20	As at 30.06.19
Total number of issued shares excluding treasury shares	1,832,094,554	1,832,094,554

The Company has no treasury shares as at 30 June 2020 and 30 June 2019 respectively.

1(d)(iv). A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

1(d)(v). A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Group's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable. The figures have not been audited or reviewed by the Group's auditors.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion :

- (a) Updates on the efforts taken to resolve each outstanding audit issues.
- (b) Confirmations from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the disclaimer of opinion in the Auditors Report for the Company's latest financial statement for the financial year ended 30 June 2019 relates material uncertainty relating to going concern of the Group and the Company.

4. Whether the same accounting policies and methods of computation as in the Issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in preparation of the financial statements for the current reporting financial year as those used in the most recently audited annual financial statements for the financial year ended 30 June 2019, except as mentioned in Paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In FY2020, the Group adopted all of the new or revised International Financial Reporting Standards ("IFRS") that are relevant to its operations and are effective for first-time adoption during the current financial year beginning on or after 1 July 2019. The adoption of these new and/or revised IFRS, did not result in any substantial changes to the Group's accounting policies and has no material effect on the financial results for the current financial period reported on.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Financial year ended 30 June	
	2020 (Unaudited)	2019 (Audited)
Loss after tax attributable to owners of the Company (RM'000)	(152,370)	(44,795)
Weighted average number of ordinary shares in issue ('000)	1,832,095	1,422,866
(a) Basic loss per ordinary share (RM cents)	(8.32)	(3.15)
(b) Diluted loss per ordinary share (RM cents)	(8.32)	(3.15)

For the full year ended 30 June 2020 and 30 June 2019, the computation of the diluted losses per ordinary share does not assume the conversion of the outstanding Convertible Loan Agreement and Convertible Bond Subscription Agreement as they had anti-dilutive effect on the losses per ordinary share calculation.

7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the Issuer at the end of the:-

	Group		Company	
	As at 30.06.20 (Unaudited)	As at 30.06.19 (Audited)	As at 30.06.20 (Unaudited)	As at 30.06.19 (Audited)
Net assets value (RM'000)	151,224	303,137	148,266	734,679
Number of ordinary shares in issue (excluding treasury shares)	1,832,094,554	1,832,094,554	1,832,094,554	1,832,094,554
Net asset value per ordinary share based on issued share capital (RM cents)	8.25	16.55	8.09	40.10

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

- a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

REVIEW OF STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP

Year ended 30 June 2020 ("FY2020") vs year ended 30 June 2019 ("FY2019")

The Group's revenue had dropped significantly mainly because there was no sales of the property units in Capital City Mall in FY2020. The Group derived its revenue mainly from sales from marble products in FY2020.

The cost of sales in FY2020 mainly pertains to the sales of marble products. The cost of sales includes fixed costs such as depreciation of plant and equipment, labour costs relating to marble production and the direct costs relating to the marble products sold. Consequently, the Group recorded a gross loss during in FY2020. The cost of sales in FY2019 was mainly contributed from the sales of property units as well as some operation cost of the Company's subsidiary namely, MCM Studio Entertainment Group Sdn Bhd and its subsidiaries (the "**MCM Group**") which had been disposed on 8 January 2020.

Other income in FY2020 pertains to i) gain on disposal of a subsidiary of MCM Group of RM5.2m, ii) recognition of deposit forfeited during FY2020 and iii) recognition of income forfeited from purchasers during FY2020.

The decrease in selling and distribution expenses, which mainly incurred on promoting the sales of property units in Capital City Mall, was in line with the reduction in the Group's revenue during FY2020.

The increase in general and administrative expenses was due to increase in i) impairment to property, plant and equipment which comprised impairment to the completed car park and investment properties which was not able to be substantiated by market valuation, ii) increase in impairment of trade receivables from purchasers recorded in Capital City Property Sdn Bhd ("**CCPSB**"), iii) impairment of other receivables in CCPSB, iv) deferred tax expensed off due to no probable future benefit, which was offset absence of impairment of goodwill and absence of amortization of facilities fee on convertible bond and decrease in impairment of mining rights and intangible assets of the marble business as well as the decrease in manpower cost, office administrative, utilities etc due to scaled down of the work force during FY2020

The reduction in finance costs was due to subscription of the new convertible loan at a lower interest rate and the repayment of the existing convertible bond and its associated finance costs.

The income tax expenses in FY2020 was due to reversal of deferred tax assets related to additional depreciation expenses incurred as a result of fair value upward adjustment for the property, plant and equipment made during the reverse takeover in May 2017.

As a result of the aforementioned, the Group recorded a loss after tax of RM151.5 million for FY2020 as compared to a loss after tax of RM45.6 million in FY2019.

REVIEW OF STATEMENT OF FINANCIAL POSITION OF THE GROUP

The decrease in total assets was mainly attributed to i) increase in the inventory properties due to some inventory properties which was classified as non current in FY2019 now reclass to current, and ii) increase in investment property which was classified as non current in FY2019 now reclass to current as it was to be held for sale, which was offset by the iii) decrease in the inventories mainly due to the impairment of the marble inventory, iv) decrease of deferred expenditure mainly due to impairment of deferred expenditure due to high recoverability risk, v) decrease in trade receivable mainly due to impairment of receivables from property units' purchasers as well as cancellation of sales, vi) decrease in other receivables, deposits and prepayments mainly due to impairment of other receivables and prepayments in CCPSB, vii) decrease in the property, plant and equipment mainly due to impairment of car park in property business and property, plant and equipment of the Group's marble business, viii) decrease in intangible assets as a result of amortization and disposal of intangible assets of MCM Group and impairment to quarry rights of the marble business, and ix) decrease in deferred tax assets as it was expensed off as no probable future taxable profit available.

The total liabilities between FY2020 and FY2019 remained constant However the total current liabilities in FY2020 has increased as compared to FY2019 mainly due to the reclassification of non current liabilities in particular trade payables and other payables and provision for taxation of CCPSB to current liabilities for the reason that those liabilities become due and payable since CCPSB was undergoing debt restructuring exercise

The Group had a net current assets of approximately RM91.0 million as at 30 June 2020.

In FY2020, the following efforts has been undertaken by the Group in respect of restructuring their debt obligations and liabilities. On 17 February 2020, the Company announced its application of moratorium, for a period of six months, to the High Court of the Republic of Singapore for the purposes of implementing and facilitating the restructuring of the debt obligations and liabilities and on 16 March 2020, the Company announced that on 13 March 2020, the High Court of the Republic of Singapore (the “Court”) had granted the Company for a moratorium, up to 16 August 2020, pursuant to Section 211B(1) of the Companies Act (Cap. 50) to reorganize its liabilities. On 24 June 2021, the Court has sanctioned the Company’s Scheme of Arrangement for the repayment to the creditors and extension of moratorium to 30 September 2021. The Company is presently in the process of implementing the Scheme of Arrangement.

On 24 February 2020, the Company also announced that Capital City Property Sdn. Bhd. (the “**CCPSB**”), a wholly-owned subsidiary of the Company, had filed an application to place CCPSB under judicial management in the High Court of Malaya, Kuala Lumpur, Malaysia (the “**Malaysia Court**”). CCPSB had been granted by the Malaysia Court for CCPSB to be placed under judicial management of judicial manager (the “**JM**”), with extension of up to 8 September 2021, pursuant to Section 405 of the Malaysia Companies Act 2016. CCPSB’s JM has held the creditors meeting on 26 October 2020 and currently implementing the proposed restructuring of the liabilities of CCPSB.

The Board is of the view that the successful implementation of the Scheme of Arrangement will be an important consideration in its ability to continue to operate as a going concern. Upon completion of the Scheme of Arrangement as well as the above proposed restructuring of the liabilities of the Company and CCPSB, substantial liabilities are expected to be extinguish by then which will further improve the Group’s net current assets position. The Company’s shares had been voluntarily suspended since 14 February 2020.

REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP

The Group reported net cash flows used in operating activities of RM2.2 million mainly due to negative operating cash flows before changes in working capital of RM31.8 million offset by positive working capital changes due to decrease in inventories, inventory properties and trade and other receivables which was offset by interest and taxation paid during the year.

Net cashflow used in investing activities was mainly due to addition of plant, property and equipment during FY2020.

Net cashflow generated from financing activities of RM0.1million due to drawdown of short term financing of RM1.2 million offset with repayment of RM1.0 million of borrowings in FY2020.

As a result of the above, the Group’s cash and cash equivalent decreased by RM2.4 million to arrive at RM0.5 million as of 30 June 2020.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Due to the outbreak of the Coronavirus Disease 2019 (COVID-19) in Malaysia since March 2020, Malaysian government had implemented movement control order (“**MCO**”) throughout the whole Malaysia. MCOs have weakened the economic situation as well as the consumer sentiment in Malaysia including Johor Bahru. With the prolonged closed border between Singapore and Malaysia, all economic sectors in Johor Bahru are greatly affected too. While the vaccination program in Malaysia is progressing at a slow pace due to the restriction on its supply has created a gloomy situation as to when the Covid 19 will be under controlled. As such, the Group is expecting the Johor property market to remain lackluster in the near term

On 24 June 2021, Singapore High Court has sanctioned the Company’s Scheme of Arrangement (“**Restructuring**”) to reorganize its debts as well as the CCPSB (in judicial management) debts. Upon the completion of the Scheme, which is targeted to be 4th quarter of year 2021; the Group will be able to reduce its liabilities and back to healthy financial position. The Company is working to explore potential fund raising in additional to restructure the existing business to be a viable and sustainable business and other viable new businesses.

At the same time, the Group will also work towards the submission of a resumption of trading proposal (“Resumption Proposal”) to SGX-ST by 31 December 2021. With reference to the announcement made on 24 June 2021, the Company will be providing regular updates on the meeting the key milestone of the Restructuring as well as for its submission of Resumption Proposal to SGX-ST, and will continue to do so via SGXNET.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

None.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers receive by the Group (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the year ended 30 June 2020 as the Group's funds is required to be used for the Group's operations.

13. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPT”) the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company had obtained a general mandate for IPTs from shareholders at the annual general meeting held on 30 October 2019. Save as disclosed below, there were no IPTs that was equal to or had exceeded S\$100,000 from 1 July 2019 up to 30 June 2020.

Name of Interested Persons and Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	RM’000	RM’000
RDC Arkitek Sdn. Bhd. ⁽¹⁾ <i>(an associate of Director and controlling shareholder of the Company, Mr Siow Chien Fu for the provision of architectural consultation services in respect of Project Capital City)</i>	363	-

Note (1): Mr Siow Chien Fu ceased to be a shareholder and director of RDC Arkitek Sdn. Bhd. with effect from 19 November 2019.

14. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Catalist Rule 706A

The Group had disposed the following subsidiaries during 3Q2020.

S/N	Subsidiary	Date of Announcement
1.	MCM Studio Entertainment Group Sdn Bhd	8 January 2020
2.	Baiduri Megaria Sdn Bhd	17 January 2020

Further details on the disposal of the above subsidiaries can be found in the Company’s announcement released on the date as set out above.

As part of the cost saving measure, First Star Venture Limited which is 100% owned direct subsidiary has been disposed of for SGD1.00 in May 2021. Capital City Frontier Sdn Bhd which is 100% owned indirect subsidiary has been stuck off in January 2021. Both subsidiaries have been dormant for the last 12 months.

Aside from the above, there were no other incorporation, acquisition and realization of shares pursuant to Rule 706A of the Catalist rules.

15. Confirmation pursuant to Rule 720 (1) of the Catalist Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS

16. Segmented revenue and results for operating segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

FY2020

	Property Development RM'000	Mining RM'000	Others RM'000	Sub-total RM'000	Elimination RM'000	Total RM'000
Revenue						
External revenue	341	2,247	504	3,092	-	3,092
Inter-segment revenue	-	-	7,065	7,065	(7,065)	-
Total	341	2,247	7,570	10,157	(7,065)	3,092
Segment results						
Interest income	(349)	-	(1)	(350)	-	(350)
Depreciation expense	6,115	1,459	855	8,429	601	9,030
Amortisation expense	-	1	419	420	852	1,272
Impairment of non-financial assets	44,725	9,702	1,900	56,327	17,718	74,045
Other Non-cash expenses	35,562	-	8,372	43,934	-	43,934
Gain on disposal of a subsidiary	-	-	(5,183)	(5,183)	-	(5,183)
Profit / (Loss) before tax	(115,103)	(14,382)	(574,042)	(703,528)	555,272	(148,256)
Segment assets	638,793	68,737	206,373	913,903	(271,941)	641,961
Segment liabilities	531,358	90,336	67,022	688,717	(197,981)	490,737
Geographical information						
	Malaysia	Singapore	China	Sub-total	Elimination	Total
Revenue	3,092	-	-	3,092	-	3,092
Non-current assets	61,494	-	-	61,494	-	61,494

FY2019:

	Property development RM'000	Mining RM'000	Others RM'000	Sub-total RM'000	Elimination RM'000	Total RM'000
Revenue						
External revenue	127,352	10,497	3,351	141,200	-	141,200
Inter-segment revenue	-	-	9,135	9,135	(9,135)	-
Total	127,352	10,497	12,486	150,335	(9,135)	141,200
Segment results						
Interest income	2,517	-	12	2,529	-	2,529
Depreciation expense	5,249	1,340	2,151	8,740	-	8,740
Amortisation expense	4,679	3,648	-	8,327	-	8,327
Impairment of non-financial assets	72,002	2,600	-	74,602	-	74,602
Other non cash expenses	2,441	1,243	500	4,184	-	4,184
Fair value gain on derivatives	-	-	(5,249)	(5,249)	-	(5,249)
Gain on disposal of a subsidiary	-	-	(3,641)	(3,641)	-	(3,641)
Profit / (Loss) before tax	39,338	(11,336)	(114,110)	(86,108)	32,784	(53,324)
Assets:						
Additions to non-current assets	73,955	-	1,813	75,768	-	75,768
Segment assets	745,548	86,134	790,035	1,621,717	(827,902)	793,815
Segment liabilities	522,759	93,546	62,881	679,186	(187,681)	491,505
Geographical information						
	Malaysia	Singapore	China	Sub-total	Elimination	Total
Revenue	133,418	-	7,782	141,200	-	141,200
Non-current assets	504,961	227	-	505,188	-	505,188

17. In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

The Group's revenue were only derived from Malaysia. Please refer to Paragraph 8 for review of the material changes in contributions to turnover and earnings.

18. A breakdown of sales as follows:
Group

	FY2020 RM'000 (Unaudited)	FY2019 RM'000 (Audited)	Change %
a) Revenue			
- first half year	2,642	97,819	(97)
- second half year	1,260	43,381	(97)
	3,902	141,200	
b) Operating loss after tax before deducting non-controlling interest			
- first half year	(22,698)	25,445	(189)
- second half year	(128,844)	(71,050)	81
	(151,542)	(45,605)	

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

- (a) Ordinary
- (b) Preference
- (c) Total

Not applicable. The Company is not proposing dividend for FY2020. No dividend was paid for FY2019.

20. Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Board confirms that there is no person occupying a managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company during FY2020 and up to the date of this announcement.

BY ORDER OF THE BOARD
Siow Chien Fu
Executive Director and Chief Executive Officer
15 July 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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