



CJ CENTURY LOGISTICS HOLDINGS BERHAD
199701008845 (424341-A)

INTERIM FINANCIAL REPORT

31 DECEMBER 2020

25 FEBRUARY 2021



CJ CENTURY LOGISTICS HOLDINGS BERHAD (Registration No. 199701008845 (424341-A))
Interim report on unaudited consolidated results for the financial period ended 31 December 2020

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2020

	-----Individual quarter-----				-----Cumulative quarter-----			
	Current year quarter 31.12.2020 RM'000	Preceding year corresponding quarter 31.12.2019 RM'000	-----Changes-----		Current year to date 31.12.2020 RM'000	Preceding year corresponding period 31.12.2019 RM'000	-----Changes-----	
			RM'000	%			RM'000	%
Revenue	186,371	111,920	74,451	67%	635,707	491,985	143,722	29%
Direct operating expenses	(162,433)	(95,569)	(66,864)	-70%	(549,967)	(430,933)	(119,034)	-28%
Gross profit	23,938	16,351	7,587	46%	85,740	61,052	24,688	40%
Net other operating expenses	(20,716)	(16,727)	(3,989)	-24%	(82,105)	(60,756)	(21,349)	-35%
Results from operating activities	3,222	(376)	3,598	957%	3,635	296	3,339	1128%
Net finance costs	(3,671)	652	(4,323)	-663%	(8,606)	(4,849)	(3,757)	-77%
(Loss) / profit before taxation	(449)	276	(725)	-263%	(4,971)	(4,553)	(418)	-9%
Taxation	6,207	(1,667)	7,874	472%	6,017	(2,857)	8,874	311%
Profit / (loss) for the period	5,758	(1,391)	7,149	514%	1,046	(7,410)	8,456	114%
Other comprehensive income								
Foreign currency translation differences for foreign operations	(3)	-	(3)	NA	(19)	11	(30)	-273%
Other comprehensive income for the period	(3)	-	(3)	NA	(19)	11	(30)	-273%
Total comprehensive income / (loss) for the period	5,755	(1,391)	7,146	514%	1,027	(7,399)	8,426	114%
Profit / (loss) attributable to:								
Equity holders of the Company	5,726	(1,424)	7,150	502%	922	(7,531)	8,453	112%
Non-controlling interests	32	33	(1)	-3%	124	121	3	2%
Profit / (loss) for the period	5,758	(1,391)	7,149	514%	1,046	(7,410)	8,456	114%
Total comprehensive income / (loss) attributable to:								
Equity holders of the Company	5,723	(1,424)	7,147	502%	903	(7,520)	8,423	112%
Non-controlling interests	32	33	(1)	-3%	124	121	3	2%
Total comprehensive income / (loss) for the period	5,755	(1,391)	7,146	514%	1,027	(7,399)	8,426	114%
Profit / (loss) per share attributable to equity holders of the Company:								
Basic (sen)	0.97	(0.36)	1.34	367%	0.19	(1.93)	2.11	110%
Diluted (sen)*	NA	(0.36)	-	-	NA	(1.93)	-	-

* The diluted loss per share is equal to the basic loss per share due to the anti-dilutive effect.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2019.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	As at end of current quarter 31.12.2020 RM'000	As at preceding financial year end 31.12.2019 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	462,018	385,451
Other investment	60	-
Right-of-use assets	22,011	9,926
Deferred tax asset	3	5
Goodwill on consolidation	23,167	1,443
	<u>507,259</u>	<u>396,825</u>
Current Assets		
Inventories	36,434	9,539
Receivables	220,118	141,559
Deposits, cash and bank balances	60,205	64,999
	<u>316,757</u>	<u>216,097</u>
TOTAL ASSETS	<u><u>824,016</u></u>	<u><u>612,922</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	300,043	200,043
Treasury shares	(3,368)	(2,506)
Reserves	119,230	118,327
	<u>415,905</u>	<u>315,864</u>
Non-controlling Interests	<u>1,053</u>	<u>929</u>
Total Equity	<u>416,958</u>	<u>316,793</u>
Non-current Liabilities		
Borrowings	148,703	159,158
Lease liabilities	10,287	2,855
Deferred taxation	5,903	8,560
	<u>164,893</u>	<u>170,573</u>
Current Liabilities		
Borrowings	62,132	32,428
Payables	167,820	85,899
Lease liabilities	12,212	7,229
	<u>242,164</u>	<u>125,556</u>
Total Liabilities	<u>407,057</u>	<u>296,129</u>
TOTAL EQUITY AND LIABILITIES	<u><u>824,016</u></u>	<u><u>612,922</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.71	0.81

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2019.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2020

	Current year to date 31.12.2020 RM'000	Preceding year corresponding period 31.12.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) for the year	1,046	(7,410)
Adjustments:		
Non-Cash Items	36,851	28,315
Non-Operating Items	(163)	658
Operating profit before working capital changes	37,734	21,563
Movement in working capital:		
Net change in current assets	(54,523)	(21,403)
Net change in current liabilities	29,114	3,481
Cash generated from operations	12,325	3,641
Tax paid	(5,297)	(1,543)
Net cash from operating activities	7,028	2,098
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash and cash equivalents acquired	33,304	-
Interest received	1,297	1,685
Disposal of property, plant and equipment	1,135	1,895
Decrease in investment in money market funds	25,464	20,107
Purchase of property, plant and equipment	(30,104)	(53,697)
Net cash from / (used in) investing activities	31,095	(30,010)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to non-controlling interests	-	(147)
Dividend paid	-	(976)
Proceeds from borrowings	29,000	71,696
Repayment of lease liabilities	(13,359)	(7,071)
Repayment of hire purchase payables	(9,070)	(7,632)
Repayment of borrowings	(15,453)	(15,892)
Purchase of treasury shares	(862)	-
Interest paid	(7,709)	(6,048)
Net cash (used in) / from financing activities	(17,453)	33,930
Net increase in cash and cash equivalents	20,670	6,018
Cash and cash equivalents at beginning of the period	23,046	17,028
Cash and cash equivalents at end of the period	43,716	23,046
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash on hand and at banks	33,606	15,776
Investment in money market funds	16,489	41,953
Deposits with licensed banks	10,110	7,270
	60,205	64,999
Less: Investment in money market funds	(16,489)	(41,953)
	43,716	23,046

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2019.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2020

	Attributable to Equity Holders of the Company				Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Other Reserves RM'000	Retained Earnings RM'000			
As at 1 January 2020	200,043	(2,506)	3,586	114,741	315,864	929	316,793
Issue of shares	100,000	-	-	-	100,000	-	100,000
Purchase of treasury shares	-	(862)	-	-	(862)	-	(862)
Transfer to retained earnings upon lapse of Employees' Share Option Scheme ("ESOS")	-	-	(2,831)	2,831	-	-	-
Total comprehensive income for the period	-	-	(19)	922	903	124	1,027
As at 31 December 2020	300,043	(3,368)	736	118,494	415,905	1,053	416,958
As at preceding year corresponding quarter							
As at 1 January 2019	200,043	(2,506)	2,168	123,248	322,953	955	323,908
Share-based payment under ESOS	-	-	1,407	-	1,407	-	1,407
Total comprehensive loss for the period	-	-	11	(7,531)	(7,520)	121	(7,399)
Dividends paid	-	-	-	(976)	(976)	(147)	(1,123)
As at 31 December 2019	200,043	(2,506)	3,586	114,741	315,864	929	316,793

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2019.

Notes To The Financial Statements

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial 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 financial year ended 31 December 2019.

2. Significant Accounting Policies

The Group has adopted the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act, 2016 in Malaysia for accounting period beginning on 1 January 2020. As disclosed in the Group's annual financial statements for the financial year ended 31 December 2019, the following are new/revised accounting standards effective for annual periods beginning on or after 1 January 2020.

MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 101 and MFRS 108	Definition of Material

The adoption of the above amendments did not have any material impact on the financial statements of the Group.

The Group has not applied the following MFRSs which have been issued as at the end of reporting period but are not yet effective :-

MFRS 17	Insurance Contracts
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The above pronouncements do not have any material impact on the financial statements of the Group.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2019 was not qualified.

4. Seasonal or Cyclical Factors

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

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

6. Changes in Estimates

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

7. Changes in Debt and Equity Securities

There was no issuance or repayment of debt or equity securities, share cancellations and resale of treasury shares during the financial quarter under review, except that the Company bought back 1,752,600 ordinary shares from the open market at an average price of RM0.40 per share. The shares purchased are being held as treasury shares in accordance with Section 127 of the Companies Act, 2016.

8. Dividend Paid

No dividend was paid in the financial quarter under review.

9. Segmental Reporting

Analysis of the Group's revenue and results for the 12 months period ended 31 December 2020 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Courier Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
Revenue					
External sales	425,622	164,228	45,857	-	635,707
Inter-segment sales	<u>5,807</u>	<u>37</u>	<u>-</u>	<u>(5,844)</u>	<u>-</u>
Total revenue	<u>431,429</u>	<u>164,265</u>	<u>45,857</u>	<u>(5,844)</u>	<u>635,707</u>
Profit					
Segment results	28,645	6,153	(31,046)	(117)	3,635
Net finance costs					<u>(8,606)</u>
Loss from ordinary activities before taxation					(4,971)
Taxation					<u>6,017</u>
Profit from ordinary activities after taxation					1,046
Non-controlling interests					<u>(124)</u>
Net profit for the period					<u>922</u>

Analysis of the Group's revenue and results for the 12 months period ended 31 December 2019 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Courier Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
Revenue					
External sales	251,930	210,011	30,044	-	491,985
Inter-segment sales	<u>4,532</u>	<u>-</u>	<u>-</u>	<u>(4,532)</u>	<u>-</u>
Total revenue	<u>256,462</u>	<u>210,011</u>	<u>30,044</u>	<u>(4,532)</u>	<u>491,985</u>
Profit					
Segment results	5,721	11,547	(16,875)	(97)	296
Net finance costs					<u>(4,849)</u>
Loss from ordinary activities before taxation					(4,553)
Taxation					<u>(2,857)</u>
Loss from ordinary activities after taxation					(7,410)
Non-controlling interests					<u>(121)</u>
Net loss for the period					<u>(7,531)</u>

Total revenue of the Group was RM635.707 million, representing an increase of 29% from RM491.985 million in the corresponding period ended 31 December 2019. The Group recorded an operating profit of RM3.635 million from an operating profit of RM0.296 million in the twelve months ended 31 December 2020.

Total Logistics Services

Segment revenue and profit generated from the Total Logistics Services operations for the period under review increased by RM173.692 million and RM22.924 million respectively as compared to the corresponding period ended 31 December 2019 mainly due to the contribution from CJ Korea Express Malaysia Sdn. Bhd. as well as overall higher activities from total logistics segment.

Procurement Logistics Services

The Procurement Logistics Services operations recorded a lower segment revenue of RM164.228 million in the twelve months ended 31 December 2020 compared to RM210.011 million in year 2019 due to the restricted operations as a result of the Movement Control Order in response to the spread of COVID-19. The segment profit for the period under review was RM6.153 million, a decrease of 46.7% from RM11.547 million recorded in the previous financial year.

Courier Services

For the financial quarter ended 31 December 2020, the courier services revenue and segment loss were RM45.857 million and RM31.046 million as compared to RM30.044 million and RM16.875 million respectively in the corresponding period ended 31 December 2019. The loss was mainly due to the expansion of trucks, network and people resources.

9. Segmental Reporting (cont'd)

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Courier Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
As at 31 December 2020*					
Segment Assets	967,679	114,387	44,717	(302,767)	<u>824,016</u>
Segment Liabilities	542,538	72,667	21,840	(229,988)	<u>407,057</u>
As at 31 December 2019					
Segment Assets	705,093	105,702	33,160	(231,033)	<u>612,922</u>
Segment Liabilities	420,586	67,484	26,450	(218,391)	<u>296,129</u>

* The assets and liabilities of CJ Korea Express Malaysia Sdn. Bhd. has been consolidated with effect from 30 June 2020.

10. Related Party Disclosures

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

11. Financial Instruments**Categories of financial instruments**

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000
Financial assets		
Fair value through profit or loss		
Investment in money market funds	16,489	41,953
Amortised costs		
Trade receivables	138,680	91,673
Other receivables and refundable deposits	51,499	34,265
Amount owing from immediate holding company	745	-
Amount owing from intermediate holding company	561	-
Amount owing from related parties	12,089	-
Amount owing from affiliated companies	-	7,455
Deposits, cash and bank balances	43,716	23,046
	<u>263,778</u>	<u>198,392</u>
Financial liabilities at amortised costs		
Trade payables	52,880	29,332
Other payables and accrued expenses	77,157	49,382
Amount owing to immediate holding company	25,181	-
Amount owing to intermediate holding company	7,094	-
Amount owing to related parties	279	-
Amount owing to affiliated company	-	703
Total borrowings	190,893	171,313
Hire-purchase payables	19,942	20,273
Lease liabilities	22,499	10,084
	<u>395,925</u>	<u>281,087</u>

The Group uses the following hierarchy in determining the fair value of the financial instruments carried at fair value:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of the Group's investment in money market funds, which is measured based on quoted net asset value of the underlying funds, is categorised under Level 1 fair value hierarchy.

The carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values, including long-term borrowings which are subjected to floating interest rates.

12. Valuation of Property, Plant and Equipment

The Group's property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

13. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period.

14. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period under review.

15. Capital Commitments

Capital commitments for the purchase of property, plant and equipment not provided for at the end of the reporting quarter are as follows:-

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000
Approved and contracted for	6,492	26,960
Approved but not contracted for	<u>2,997</u>	<u>6,131</u>

16. Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last annual balance sheet as at 31 December 2019.

17. Review of Performance

For the financial quarter ended 31 December 2020, the Group's revenue and pre-tax loss were RM186.371 million and RM0.449 million respectively, compared to revenue and pre-tax profit of RM111.920 million and RM0.276 million respectively for the corresponding period in the previous financial year. The increase in revenue by 67% was mainly attributable to the contribution from CJ Korea Express Malaysia Sdn. Bhd. as well as overall improved performance in the Group's operation during the financial quarter. However, the pre-tax loss in the current financial quarter was mainly due to the higher finance cost incurred as compared to the corresponding period in the previous financial year.

18. Comparison with Immediate Preceding Quarter's Results

	Current year quarter 31.12.2020 RM'000	Immediate preceding quarter 30.09.2020 RM'000	-----Changes-----	
			RM'000	%
Revenue	186,371	208,946	(22,575)	-11%
Direct operating expenses	<u>(162,433)</u>	<u>(183,130)</u>	<u>20,697</u>	<u>11%</u>
Gross profit	23,938	25,816	(1,878)	-7%
Net other operating expenses	<u>(20,716)</u>	<u>(22,804)</u>	<u>2,088</u>	<u>9%</u>
Results from operating activities	3,222	3,012	210	7%
Net finance costs	<u>(3,671)</u>	<u>(1,639)</u>	<u>(2,032)</u>	<u>-124%</u>
Loss / (profit) before taxation	(449)	1,373	(1,822)	-133%
Taxation	<u>6,207</u>	<u>(1,876)</u>	<u>8,083</u>	<u>431%</u>
Profit/ (loss) for the period	<u>5,758</u>	<u>(503)</u>	<u>6,261</u>	<u>1245%</u>

For the financial quarter ended 31 December 2020, the Group reported revenue and pre-tax loss of RM186.371 million and RM0.449 million respectively, compared to revenue and pre-tax profit of RM208.946 million and RM1.373 million respectively for the preceding quarter. The decrease in revenue and pre-tax profit were mainly due to the lower activities in Procurement Logistics Services segment and higher finance cost incurred after the moratorium period ended in September 2020.

19. Prospects for the Next Financial Year

Given the extend of the COVID-19 outbreak as well as domestic and global uncertainties, the outlook is very much driven by the hope that the vaccine will eventually lead us into a new normal once herd immunity has been achieved. Our fate is no different, our well-being depends very much on the well-being of our customers.

With the expected recovery from this global pandemic, CJ Century is optimistic of an improved performance during the year 2021.

20. Profit Forecast

There was no profit forecast announced in relation to the financial quarter under review.

21. Taxation

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 31.12.2020 RM'000	Preceding year corresponding quarter 31.12.2019 RM'000	Current year to date 31.12.2020 RM'000	Preceding year corresponding period 31.12.2019 RM'000
Provision for taxation	(2,247)	1,911	1,489	3,265
Deferred taxation	<u>(3,960)</u>	<u>(244)</u>	<u>(7,506)</u>	<u>(408)</u>
	<u><u>(6,207)</u></u>	<u><u>1,667</u></u>	<u><u>(6,017)</u></u>	<u><u>2,857</u></u>

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period.

The effective tax rate of the Group for the current quarter was lower than the statutory tax rate principally due to the over provision of taxation in respect of prior years. Deferred taxation for the current quarter is computed after taking into consideration the available capital allowance and the adjusted business losses to set off against taxable profit.

22. Note to the Statement of Comprehensive Income

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 31.12.2020 RM'000	Preceding year corresponding quarter 31.12.2019 RM'000	Current year to date 31.12.2020 RM'000	Preceding year corresponding period 31.12.2019 RM'000
Interest income	227	633	1,297	1,685
Interest expenses - borrowings	(3,541)	152	(9,027)	(6,048)
Interest expenses - right-of-use assets	(356)	(133)	(876)	(486)
Depreciation and amortisation	(9,663)	(5,720)	(31,665)	(20,124)
Provision for and write off of receivables	48	(286)	(2,595)	(486)
Foreign exchange gain	1,690	621	3,769	2,082
Gain on disposal of quoted or unquoted investments or properties	130	601	394	546
Share-based payment under ESOS	-	(230)	-	(1,407)
Other income including investment income (excluding items disclosed above)	208	4	707	33

There were no other exceptional items or derivatives during the period under review.

23. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this report.

24. Trade Receivables

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000
Trade Receivables	142,415	92,862
Less: Allowance for impairment	<u>(3,735)</u>	<u>(1,189)</u>
	<u>138,680</u>	<u>91,673</u>

The ageing of past due but not impaired analysis of the Group's trade receivables is as follows:-

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000
1- 30 days	27,122	16,986
31 - 60 days	11,918	7,919
61 - 90 days	3,226	3,171
more than 90 days	<u>4,512</u>	<u>1,665</u>
	<u>46,778</u>	<u>29,741</u>

The credit terms of the Group range from 3 to 120 days. Included in the Group's trade receivables are debtors with a carrying amount of RM46.778 million which are past due for which no impairment had been provided as there has not been a significant change in credit quality and the Group believes that the amounts are still considered fully recoverable.

The Group does not have any significant credit risk exposure to any single counterparty.

25. Group's Borrowings and Debt Securities

	-----As at 31 December 2020-----		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
Secured			
- Term Loans	52,673	138,220	190,893
- Hire Purchase	<u>9,459</u>	<u>10,483</u>	<u>19,942</u>
	<u>62,132</u>	<u>148,703</u>	<u>210,834</u>
	-----As at 31 December 2019-----		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
Secured			
- Term Loans	26,760	144,553	171,313
- Hire Purchase	<u>5,668</u>	<u>14,605</u>	<u>20,273</u>
	<u>32,428</u>	<u>159,158</u>	<u>191,586</u>

The weighted average effective interest rates of the term loans is 3.89% (2019 : 4.92%) per annum which are subjected to floating interest rates. The term of the hire-purchase ranges from one to five years and the weighted average effective interest rates implicit in the hire-purchase arrangements range from 4.08% to 5.04% (2019 : 5.16% to 5.64%) per annum. The interest rates are fixed at the inception of the hire-purchase arrangement.

26. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

27. Material Litigation

Save as disclosed below, the Group is not presently engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group or any fact likely to give rise to any proceedings which may materially affect the financial position or business of the Group:

CJ Century Technology Sdn Bhd ("CJCT"), a wholly owned subsidiary of the Company, has filed a Writ & Statement of Claim against Axisjaya Sdn. Bhd. and Seri Mutiara Development Sdn. Bhd. for RM2,621,823.91 and interest of RM62,043.28 for the supply and delivery of Air Conditioning units. Axisjaya Sdn Bhd and/or Seri Mutiara Development Sdn Bhd failed to make the first tranche of payment as ordered by the High Court on or before 5p.m on 31 January 2021. On 9 February 2021, Axisjaya Sdn Bhd and/or Seri Mutiara Development Sdn Bhd's new solicitors have informed the Court that they were recently appointed and they require more time to file and serve the Record of Appeal. The Court has fixed a new Case Management date on 24 March 2021 at 9.00 a.m. In respect of the garnishee proceeding, the Court has fixed the hearing date on 3 March 2021.

The Company will make the necessary announcement in the event of any material development in due course.

28. Dividend

The Board of Directors does not recommend any dividend in respect of the reporting quarter and financial year-to-date.

29. Earnings Per Share

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 31.12.2020 RM'000	Preceding year corresponding quarter 31.12.2019 RM'000	Current year to date 31.12.2020 RM'000	Preceding year corresponding period 31.12.2019 RM'000
Net profit/ (loss) attributable to equity holders of the Company	<u>5,726</u>	<u>(1,424)</u>	<u>922</u>	<u>(7,531)</u>
Weighted average number of ordinary shares in issue	<u>588,635</u>	<u>390,261</u>	<u>498,168</u>	<u>390,261</u>
Basic earnings / (loss) per share (sen)	0.97	(0.36)	0.19	(1.93)
Diluted earnings / (loss) per share (sen)*	NA	(0.36)	NA	(1.93)

* The diluted loss per share is equal to the basic loss per share due to the anti-dilutive effect.

By Order of the Board of Directors

Company Secretaries

Kuala Lumpur
25 February 2021