

**PETERLABS HOLDINGS BERHAD (Registration No: 201001025806 (909720-W))**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 September 2020 RM'000	Preceding Period Corresponding Quarter Ended 30 September 2019 RM'000	Current Period To Date Ended 30 September 2020 RM'000	Preceding Period To Date Ended 30 September 2019 RM'000
<b>Revenue</b>	20,149	24,309	61,054	71,866
Cost of sales	(16,308)	(19,445)	(49,618)	(58,464)
<b>Gross profit</b>	3,841	4,864	11,436	13,402
Other income	1,065	95	1,899	754
Selling and distribution expenses	(583)	(1,290)	(1,805)	(2,425)
Administration expenses	(2,462)	(1,945)	(6,767)	(6,692)
Other expenses	(8)	(207)	(244)	(447)
<b>Operating profit</b>	1,853	1,517	4,519	4,592
Finance cost	(60)	(102)	(225)	(387)
<b>Profit before tax</b>	1,793	1,415	4,294	4,205
Tax expense	(565)	(272)	(1,391)	(1,220)
<b>Profit for the period</b>	1,228	1,143	2,903	2,985
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,228	1,143	2,903	2,985
Total comprehensive income attributable to the Owners of the Company	1,228	1,143	2,903	2,985
Weighted average no. of ordinary shares in issue ('000)	223,143	214,740	217,561	214,740
Earnings per share (sen):				
-Basic	0.55	0.53	1.33	1.39

**Note:**

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 ("FYE") 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

**PETERLABS HOLDINGS BERHAD (Registration No: 201001025806 (909720-W))**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2020**

	<b>Unaudited As at 30 September 2020 RM'000</b>	<b>Audited As at 31 December 2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-current asset</b>		
Property, plant and equipment	15,609	16,630
	<u>15,609</u>	<u>16,630</u>
<b>Current assets</b>		
Inventories	10,416	14,550
Trade receivables	21,479	26,347
Other receivables	1,954	390
Tax recoverable	62	39
Cash and bank balances	27,139	14,775
	<u>61,050</u>	<u>56,101</u>
<b>TOTAL ASSETS</b>	<u><u>76,659</u></u>	<u><u>72,731</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	31,821	27,459
Unappropriated profits	25,552	25,011
<b>Total equity</b>	<u>57,373</u>	<u>52,470</u>
<b>Non-current liabilities</b>		
Lease liabilities	1,149	1,133
Borrowings	-	16
Deferred tax liabilities	509	350
	<u>1,658</u>	<u>1,499</u>
<b>Current liabilities</b>		
Trade payables	4,459	5,851
Other payables	4,819	5,192
Lease liabilities	413	593
Borrowings	5,032	6,791
Dividend Payable	2,362	-
Tax payable	543	335
	<u>17,628</u>	<u>18,762</u>
<b>Total liabilities</b>	<u>19,286</u>	<u>20,261</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>76,659</u></u>	<u><u>72,731</u></u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	24.29	24.43

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2019.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020**

	<b>Attributable to Equity Holders of the Company</b>		
	<b><u>Non-Distributable</u></b>	<b><u>Distributable</u></b>	
	<b>Share Capital RM'000</b>	<b>Unappropriated Profits RM'000</b>	<b>Total Equity RM'000</b>
At 1 January 2020	27,459	25,011	52,470
Proceeds from private placement (Net)	4,362	-	4,362
Total comprehensive income for the financial period	-	2,903	2,903
Dividend of RM 0.01 per share in respect of financial year ended 31 December 2020 payable on 9 October 2020	-	(2,362)	(2,362)
At 30 September 2020 (Unaudited)	<u>31,821</u>	<u>25,552</u>	<u>57,373</u>
At 1 January 2019	27,459	20,804	48,263
Total comprehensive income for the financial period	-	2,985	2,985
At 30 September 2019 (Unaudited)	<u>27,459</u>	<u>23,789</u>	<u>51,248</u>

Note:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2019.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020**

	<b>Current Period To Date Ended 30 September 2020 (Unaudited) RM'000</b>	<b>Preceding Year Corresponding Period Ended 30 September 2019 (Unaudited) RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	4,294	4,205
Adjustments for:-		
- Non cash items	1,231	1,647
- Non-operating items	(177)	299
<b>Operating profit before working capital changes</b>	<b>5,348</b>	<b>6,151</b>
Changes in working capital		
Inventories	4,437	6,046
Receivables	3,332	(2,540)
Payables	565	(2,770)
Revolving credit	-	3,348
Bill payables	(665)	(422)
<b>Cash generated from operations</b>	<b>13,017</b>	<b>9,813</b>
Tax expense paid	(1,047)	(1,317)
Tax refunded	-	169
Interest received	265	87
Interest paid	(87)	(309)
<b>Net cash from operating activities</b>	<b>12,148</b>	<b>8,443</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(217)	(22)
Proceed from disposal of property, plant and equipment	173	-
<b>Net cash used in investing activities</b>	<b>(44)</b>	<b>(22)</b>
<b>FINANCING ACTIVITIES</b>		
Dividend payable on ordinary shares	(2,362)	-
Proceeds from private placement (Net)	4,362	-
Repayment of revolving credit	(700)	-
Interest paid	(138)	(78)
Repayment of term loans	(410)	(3,711)
Repayment of finance lease liabilities	(463)	(385)
<b>Net cash from / (used) in financing activities</b>	<b>289</b>	<b>(4,174)</b>
<b>Net Changes In Cash And Cash Equivalents</b>	<b>12,393</b>	<b>4,247</b>
<b>Effect of exchange rate changes</b>	<b>(29)</b>	<b>(29)</b>
<b>Cash And Cash Equivalents At The Beginning Of The Period</b>	<b>14,775</b>	<b>5,595</b>
<b>Cash And Cash Equivalents At The End Of The Period</b>	<b>27,139</b>	<b>9,813</b>

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2019.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020**

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (MFRS 134): INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements (“ACE LR”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2019 and the accompanying explanatory notes attached to the interim financial report.

**A2. Significant accounting policies**

Significant accounting policies adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the FYE 31 December 2019 except for the adoption of the following Amendments to MFRSs during the current financial period:

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 Definition of a Business
- Amendments to MFRS 101 and MFRS 108 Definition of Material
- Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform
- Amendments to MFRS 16 leases Covid-19 – Related Rent Concessions

The adoption of these Amendments to MFRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on these interim financial statements.

As at the date of authorisation of these interim financial statements, the following amendments to MFRSs which were in issue but not yet effective and have not been early adopted by the Group:

<b>Amendments to MFRSs</b>		<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment Proceeds before Intended Use	1 January 2022
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be confirmed

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

**A3. Auditors’ report**

There was no qualification on the Audited Financial Statements of the Group for the FYE 31 December 2019.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONT'D)

**A4. Seasonal or cyclical factors**

The operations of the Group were not significantly affected by seasonal or cyclical factors during the current financial quarter under review and current period-to-date.

**A5. Items of unusual nature and amount**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence for the quarter under review and current period-to-date.

**A6. Material changes in estimates**

There were no changes in estimates that had a material effect in the current quarter and period-to-date results.

**A7. Profit for the period**

Profit for the current quarter and period-to-date ended 30 September 2020 is arrived at after charging / (crediting), amongst other items, the following:

	<i>Quarter Ended</i>	<i>Period To Date Ended</i>
	30.09.2020 RM'000	30.09.2020 RM'000
Other income including investment income	(810)	(1,150)
Interest income	(78)	(265)
Expected credit losses on trade receivables (net)	(7)	(28)
Gain on disposal of property, plant and equipment	(88)	(136)
Reversal of inventories written down	(124)	(303)
Interest expense	60	225
Depreciation	498	1,502
Net realised foreign exchange (gain) / loss	(10)	151
Net unrealised foreign exchange loss	34	60

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONT'D)

**A8. Segmental information**

The Group is organised into the following operating segments:

- a) Trading
- b) Manufacturing

<b>Quarter ended 30 September 2020</b>	<b>Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue from</b> External customers	18,529	1,620	-	20,149
Inter-segment revenue	769	5,909	(6,678)	-
<b>Total revenue</b>	19,298	7,529	(6,678)	20,149
<b>Profit before tax</b>	1,305	488	-	1,793
Tax expense				(565)
<b>Profit for the period</b>				1,228

<b>Period to Date ended 30 September 2020</b>	<b>Trading RM'000</b>	<b>Manufacturing RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue from</b> External customers	56,202	4,852	-	61,054
Inter-segment revenue	3,010	18,268	(21,278)	-
<b>Total revenue</b>	59,212	23,120	(21,278)	61,054
<b>Profit before tax</b>	3,182	1,112	-	4,294
Tax expense				(1,391)
<b>Profit for the period</b>				2,903

**A9. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current quarter under review.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)**

**NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONT'D)**

**A10. Capital commitments**

Authorised capital expenditure not provided for the interim financial report as at the end of the current quarter was as follow:

	<b>As at 30/9/2020</b> (Unaudited) RM'000
Authorised and contracted but not provided for:	
Acquisition of 60 % equity interest in Thye On Tong Sdn Bhd	9,720

**A11. Material subsequent events**

There were no material events subsequent to the reporting date up to the date of this report.

**A12. Changes in composition of the Group**

There was no change in composition of the Group for the current quarter under review.

**A13. Contingent liabilities or contingent assets**

	<b>Company</b>	
	<b>As at 30/09/2020</b> RM'000	<b>As at 31/12/2019</b> RM'000
Corporate guarantee given by the Company to financial institutions for credit facilities granted to Subsidiaries		
- Utilised	5,032	6,807
- Limit	21,897	21,897

**A14. Significant related party transactions**

Save as disclosed in the Audited Financial Statements for the FYE 31 December 2019, there were no other significant related party transactions for the current quarter under review.

**A15. Issuances, cancellations, repurchase, resale and repayment of debt and equity**

Save as disclosed below, there were no issuance or repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares during the quarter and financial period under review:

- a) 21,473,990 new ordinary shares pursuant to the Private Placement on 26 August 2020



QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)

**B: ADDITIONAL INFORMATION PURSUANT TO THE ACE LR**

**B1. Review of performance**

	3QFY20	3QFY19	Variance	FY2020	FY2019	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	20,149	24,309	-17.11%	61,054	71,866	-15.04%
Operating Profit	1,853	1,517	22.15%	4,519	4,592	-1.59%
Profit Before Interest And Tax	1,853	1,517	22.15%	4,519	4,592	-1.59%
Profit Before Tax	1,793	1,415	26.71%	4,294	4,205	2.12%
Profit After Tax	1,228	1,143	7.44%	2,903	2,985	-2.75%
Profit Attributable to Ordinary Equity Holders Of The Parent	1,228	1,143	7.44%	2,903	2,985	-2.75%

The Group registered RM20.149 million revenue for the current quarter which represents decrease of RM4.160 million or 17.11% as compared to the revenue of RM24.309 million in the previous period's corresponding quarter. The Group registered profit before tax of RM1.793 million for the quarter under review which represents increase of RM0.378 million or 26.71% as compared to the Group's profit before tax of RM1.415 million reported in the previous period's corresponding quarter. Profit before tax increased due to lower operating expenses incurred.

For the current quarter, trading segment registered revenue of RM18.529 million from the external customers and RM0.769 million from inter-company transactions and reported profit before tax of RM1.305 million for the quarter under review. In the previous period's corresponding quarter, the group achieved revenue of RM23.329 million from the external customers and RM1.026 million from inter-company transactions and reported profit before tax of RM1.494 million for the trading segment. The decrease in profit before tax for the trading segment for the current quarter was mainly due to lower revenue achieved.

The manufacturing segment registered revenue of RM1.620 million from the external customers and RM5.909 million from inter-company transactions and reported profit before tax of RM0.488 million for the quarter under review. In the previous period's corresponding quarter, the Group achieved revenue of RM0.980 million from external customers and RM6.239 million from inter-company transactions and reported loss before tax of RM0.079 million for the manufacturing segment. The increase in profit before tax for the manufacturing segment for the current quarter was mainly due to higher gross profit margin achieved coupled with lower operating expenses incurred.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)

**B2. Material changes in the current quarter's results compared to the results of the immediate preceding quarter**

	3QFY20	2QFY20	Variance
	RM'000	RM'000	%
Revenue	20,149	19,128	5.34%
Operating Profit	1,853	1,256	47.53%
Profit Before Interest And Tax	1,853	1,256	47.53%
Profit Before Tax	1,793	1,179	52.08%
Profit After Tax	1,228	764	60.73%
Equity Holders Of The Parent	1,228	764	60.73%

For the quarter under review, the Group registered increase in revenue of 5.34% from RM19.128 million to RM20.149 million and increase in profit before tax of 52.08% from RM1.179 million to RM1.793 million as compared to preceding quarter ended 30 June 2020. The increase in profit before tax was mainly attributable to lower operation expenses achieved coupled with higher revenue achieved. For the current quarter, trading segment achieved revenue of RM18.529 million and profit before tax of RM1.305 million as compared to revenue of RM17.247 million and profit before tax of RM0.869 million in the previous quarter, whilst the manufacturing segment achieved revenue of RM1.620 million and reported profit before tax of RM0.488 million as compared to revenue of RM1.881 million and profit before tax of RM0.310 million in the previous quarter.

**B3. Prospects**

The Board anticipates continuous business disruptions arising from the impact of the new waves of Covid19 incidents nationwide, compounded by some pressure from unfavourable exchange rates, higher price for some raw material and slow collection.

With the approval granted from shareholders on recently held EGM which allowed the company to proceed on the Proposed Acquisition of 60% equity interest in Thye On Tong Trading Sdn Bhd, coupled with the Proposed Diversification which the Management is of the view that such corporate action will contribute positively to the Group future earnings and further improve the financial position of the Group.

**B4. Profit forecast**

No profit forecast has been issued by the Group previously in any public document.

**B5. Tax expense**

	Current quarter ended 30.09.2020 RM'000	Current period-to-date 30.09.2020 RM'000
--	---	--

Income tax

-Current period	464	1,232
-Deferred taxation	101	159
	565	1,391

The Group's effective tax rate for the current quarter is higher than the statutory rate mainly certain expenses which were not deductible for tax purposes.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)**

**B6. Profit from sale of unquoted investments and/or properties**

There was no disposal of unquoted investments or properties for the current quarter under review.

**B7. Quoted securities**

There was no acquisition and/or disposal of quoted securities for the current quarter under review.

**B8. Status of corporate proposals**

Save as disclosed below, there were no other corporate proposals announced but not completed as at the date of this report:

- a) On 13 July 2020, Alliance Investment Bank Berhad (“AIBB”) had, on behalf of the Board, announced that the Company proposes to undertake a private placement of up to 21,473,990 new ordinary shares in Peterlabs Holdings Berhad (“PHB”), representing approximately ten percent (10%) of the total number of issued shares of PHB (“Proposed Private Placement”)

Further to the above, on 14 July 2020 Alliance Investment Bank Berhad had, on behalf of the Board of Directors of PHB, announced that the additional listing application for the listing of and quotation for the Placement Shares to be issued pursuant to the Proposed Private Placement has been submitted to Bursa Malaysia Securities Berhad on 14 July 2020.

In addition to that, on 21 July 2020, AIBB had on behalf of the Board provided additional information in relation to the utilisation of proceeds from the Proposed Private Placement as follows:

<b>Details of utilisation</b>	<b>RM'000</b>	<b>Estimated timeframe for utilisation (from the date of listing of the Placement Shares)</b>
Investment in new business	3,000	Within 12 months
Working capital	1,165	Within 12 months
Estimated expenses in relation to the Proposed Private Placement	130	Upon completion of the Proposed Private Placement
Total gross proceeds raised from the Proposed Private Placement	4,295	

In addition to that, on behalf of the Board of Directors of PHB, Alliance Investment Bank Berhad (“AIBB”) announced on 23 July 2020 that the Bursa Malaysia Security Berhad (“Bursa Securities”) had approved up to 21,473,990 Placement Shares to be issued pursuant to the Proposed Private Placement subject to the following conditions:

- (i) PHB and AIBB must fully comply with the relevant provisions under the ACE Market Listing Requirements pertaining to the implementation of the Proposed Private Placement;
- (ii) PHB and AIBB to inform Bursa Securities upon the completion of the Proposed Private Placement; and
- (iii) PHB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities’ approval once the Proposed Private Placement is completed.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)

**B8. Status of corporate proposals (cont'd)**

In addition to that, on behalf of the Board of Directors of PHB, Alliance Investment Bank Berhad ("AIBB") announced on 19 August 2020 that the Board had fixed the issue price for the entire 21,473,990 Placement Shares ("Issue Price") at RM0.2060 per share. The Issue Price represents a discount of RM0.0225 or approximately 9.85% to the 5-day volume weighted average market price of the PHB Shares up to and including 18 August 2020, being the last market day immediately preceding the Price-Fixing Date of RM0.2285 per PHB Share.

In addition to that, on behalf of the Board of Directors of PHB, Alliance Investment Bank Berhad ("AIBB") announced on 26 August 2020 that the Private Placement has been completed following the listing of and quotation for the entire 21,473,990 Placement Shares on the ACE Market of Bursa Malaysia Securities Berhad.

The gross proceeds of RM4.424 million from the private placement exercise which was completed on 26 August 2020 have been utilised in the following manner:

	<b>Proposed utilisation</b> *	<b>Actual proceeds raised</b> #	<b>Actual utilisation</b>	<b>Balance to be utilised</b>		<b>Estimated timeframe for the utilisation of proceeds (from the date of listing of the Placement Shares)</b>
<b>Purposes</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	
Investment in new business	3,000	3,000	1,080	1,920	64.00%	Within 12 months
Working capital	1,165	1,294	-	1,294	100.00%	Within 12 months
Estimated listing expenses	130	130	62	68	52.31%	The surplus shall be adjusted to be allocated for working capital.
	<b>4,295</b>	<b>4,424</b>	<b>1,142</b>	<b>3,282</b>	<b>74.12%</b>	

Notes:

\* As per announcement dated 21 July 2020

# As per announcement dated 26 August 2020

- b) On behalf of the Board of Directors of PHB ("Board"), Alliance Investment Bank Berhad ("AIBB") announced on 22 July 2020 that the Company proposes to undertake:-

(i) the proposed acquisition of 60% equity interest in Thye On Tong Trading Sdn Bhd ("TOT") from the Vendors for a purchase consideration of RM10,800,000 to be satisfied via combination of Cash Consideration and issuance of the Consideration Shares; and

(ii) the proposed diversification of the existing business of PHB Group to include the distribution of consumer goods in conjunction with the Proposed Acquisition.

The Proposals are subject to the following approvals being obtained from the following parties:-

- (i) Bursa Securities for the listing of and quotation for the Consideration Shares on the ACE Market of Bursa Securities, in relation to the Proposed Acquisition;

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)

**B8. Status of corporate proposals (cont'd)**

(ii) the shareholders of the Company for the issuance of the Consideration Shares at an EGM to be convened, in relation to the Proposed Acquisition;

(iii) the shareholders of the Company for the Proposed Diversification; and

(iv) any other relevant authorities, if required.

The Proposed Acquisition and the Proposed Diversification are inter-conditional. However, the Proposals are not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

- c) On behalf of the Board of Directors of PHB ("Board"), Alliance Investment Bank Berhad ("AIBB") announced on 14 August 2020 that the additional listing application for the listing of and quotation for the Consideration Shares to be issued pursuant to the Proposed Acquisition has been submitted to Bursa Malaysia Securities Berhad on 14 August 2020.
- d) On behalf of the Board of Directors of PHB ("Board"), Alliance Investment Bank Berhad ("AIBB") announced on 2 September 2020 that pursuant to Rule 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Acquisition is 31.31% calculated based on the audited total assets of TOT compared with the audited total assets of the PHB Group.

On 28 September 2020, PHB shareholders have approved the Proposed Acquisition and the Proposed Diversification with 100% of voted shares accepted.

**B9. Group borrowings and debts securities**

The Group's borrowings as at 30 September 2020 were as follows:

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b><u>Short term borrowings:</u></b>			
Lease liabilities - (Finance)	-	413	413
Bank borrowings	5,032	-	5,032
Total	5,032	413	5,445
	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b><u>Long term borrowings:</u></b>			
Lease liabilities - (Finance)	-	574	574
Total	-	574	574

All the Group's borrowings are denominated in Ringgit Malaysia.

**B10. Off balance sheet financial instruments**

The Group does not have any financial instruments with off-balance sheet risk as at the date of this quarterly report.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (CONT'D)****B11. Material litigation**

As at the date of this announcement, neither the Company nor any of its subsidiary companies is engaged in any material litigation and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company or its subsidiary companies.

**B12. Dividends**

- a) The directors declared an interim single-tier tax exempt dividend of 1 sen per ordinary share amounting to RM 2.362 million, in respect of the financial year ended 31 December 2020. The interim dividend paid on 09 October 2020. Such dividend will accounted for in shareholders' equity as an appropriation of unappropriated profits in the financial year ending 31 December 2020.
- b) No interim dividend has been recommended for the previous year's corresponding period ended 30 September 2019.

**B13. Earnings per share**

The basic and diluted earnings per share is calculated based on the Group's comprehensive income attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:

	<u>Quarter Ended</u>		<u>Period To Date Ended</u>	
	<u>30.09.2020</u>	<u>30.09.2019</u>	<u>30.09.2020</u>	<u>30.09.2019</u>
Comprehensive income attributable to owners of the Company (RM'000)	1,228	1,143	2,903	2,985
Weighted average number of ordinary shares in issue ('000)	223,143	214,740	217,561	214,740
Earnings per share (sen)				
- Basic	0.55	0.53	1.33	1.39

By Order of the Board  
PeterLabs Holdings Berhad  
Wong Yuet Chyn (MAICSA 7047163)  
Company Secretary  
Kuala Lumpur

Date: 30 November 2020