



# **TCS GROUP HOLDINGS BERHAD**

(Registration No. 201901004613 (1313940-W))  
(Incorporated in Malaysia)

**Interim Financial Report  
For Third Quarter Ended  
30 September 2020**



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME<sup>(1)</sup>**

	NOTE	QUARTER ENDED		YEAR-TO-DATE ENDED	
		30.09.2020	30.09.2019	30.09.2020	30.09.2019
		Unaudited	Unaudited <sup>(2)</sup>	Unaudited	Unaudited <sup>(2)</sup>
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	67,823	N/A	177,301	N/A
Cost of sales		(56,322)	N/A	(146,778)	N/A
Gross profit		11,501	N/A	30,523	N/A
Other income		64	N/A	127	N/A
Administrative expenses		(4,473)	N/A	(14,585)	N/A
<b>Profit from operations</b>		7,092	N/A	16,065	N/A
Finance income		148	N/A	365	N/A
Finance costs		(240)	N/A	(729)	N/A
<b>Profit before tax</b>	B12	7,000	N/A	15,701	N/A
Tax expense	B5	(1,904)	N/A	(4,533)	N/A
<b>Profit/Total comprehensive income for the financial period</b>		5,096	N/A	11,168	N/A
<b>Profit//Total comprehensive income for the financial period after taxation attributable to:</b>					
Owner of the Company		5,097	N/A	11,169	N/A
Non-controlling interest		(1)	N/A	(1)	N/A
		5,096	N/A	11,168	N/A



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME<sup>(1)</sup> (CONT'D)**

	NOTE	QUARTER ENDED		YEAR-TO-DATE ENDED	
		30.09.2020	30.09.2019	30.09.2020	30.09.2019
		Unaudited	Unaudited <sup>(2)</sup>	Unaudited	Unaudited <sup>(2)</sup>
		RM'000	RM'000	RM'000	RM'000
<b>Earnings Per Share</b>					
Basic/Diluted (sen) <sup>(3)</sup>	B11	1.42 <sup>(4)</sup>	N/A	3.10 <sup>(4)</sup>	N/A

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the prospectus of the Company dated 29 June 2020 ("**Prospectus**") and the accompanying explanatory notes attached to this interim financial report.
  - (2) This is the third interim financial report announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period as no interim financial report was prepared for the comparative financial period concerned.
  - (3) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
  - (4) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the period under review.
- N/A Not applicable.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION<sup>(1)</sup>**

	<b>30.09.2020</b>	<b>31.12.2019</b>
	<b>Unaudited</b>	<b>Audited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	26,509	24,157
Investment property	2,130	2,240
Deferred tax assets	211	211
	<u>28,850</u>	<u>26,608</u>
<b>Current assets</b>		
Trade receivables	59,540	83,489
Other receivables	4,275	6,461
Contract assets	23,060	16,660
Fixed deposits with licensed banks	31,574	12,938
Cash and bank balances	12,175	15,214
	<u>130,624</u>	<u>134,762</u>
<b>TOTAL ASSETS</b>	<u>159,474</u>	<u>161,370</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share Capital	46,344	26,244
Merger deficit	(24,065)	(24,065)
Retained earnings	47,276	39,707
Equity attributable to owners of the Company	<u>69,555</u>	<u>41,886</u>
Non-controlling interest	(1)	-
<b>Total equity</b>	<u>69,554</u>	<u>41,886</u>
<b>Non-current liabilities</b>		
Lease liabilities	5,488	5,101
Borrowings	9,557	9,367
Deferred tax liabilities	248	248
	<u>15,293</u>	<u>14,716</u>
<b>Current liabilities</b>		
Trade payables	30,213	37,477
Other payables	10,829	16,196
Contract liabilities	21,400	43,683
Amount due to a Director	-	2
Lease liabilities	5,983	3,821
Borrowings	385	281
Tax payable	5,817	3,308
	<u>74,627</u>	<u>104,768</u>
<b>Total liabilities</b>	<u>89,920</u>	<u>119,484</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>159,474</u>	<u>161,370</u>
Number of issued shares ('000)	360,000	270,000
<b>Net asset per share attributable to owner of the Company (RM)</b>	<u>0.19</u>	<u>0.16</u>

**Note:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY<sup>(1)</sup>**

	<-----Attributable to owners of the Company----->					
	<----Non-Distributable---->		Distributable		Non-controlling interest	Total Equity
	Share Capital	Merger Deficit	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 31.12.2019 (Audited)</b>	26,244	(24,065)	39,707	41,886	-	41,886
Total comprehensive income for the financial period (Unaudited)	-	-	11,169	11,169	(1)	11,168
Transaction with owners:						
Issue of ordinary shares of the Company	20,700	-	-	20,700	-	20,700
Shares issuance expenses	(600)	-	-	(600)	-	(600)
Dividend paid	-	-	(3,600)	(3,600)	-	(3,600)
<b>Balance as at 30.9.2020</b>	<b>46,344</b>	<b>(24,065)</b>	<b>47,276</b>	<b>69,555</b>	<b>(1)</b>	<b>69,554</b>

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) There are no comparative figures for the preceding corresponding period as no interim financial report was prepared for the comparative financial period concerned.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS<sup>(1)</sup>**

	<b>CURRENT YEAR TO-DATE 30.09.2020 Unaudited RM'000</b>	<b>PRECEDING YEAR TO-DATE 30.09.2019 Unaudited<sup>(2)</sup> RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	15,701	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	4,436	N/A
Amortisation of investment property	110	N/A
Reversal of impairment on other receivables	(3)	N/A
Interest expense	729	N/A
Interest income	(365)	N/A
Operating profit before working capital changes	<u>20,608</u>	N/A
Changes in working capital:-		
Receivables	26,138	N/A
Contract assets/liabilities	(28,683)	N/A
Payables	<u>(12,631)</u>	N/A
Cash generated from operations	5,432	N/A
Interest received	365	N/A
Interest paid	(729)	N/A
Tax paid	(2,024)	N/A
<b>Net cash from operating activities</b>	<u><b>3,044</b></u>	<b>N/A</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(731)	N/A
Placement of fixed deposits pledged	(2,528)	N/A
Withdrawal of fixed deposit pledged	1,528	N/A
<b>Net cash used in investing activities</b>	<u><b>(1,731)</b></u>	<b>N/A</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)<sup>(1)</sup>**

	<b>CURRENT YEAR</b>	<b>PRECEDING YEAR</b>
	<b>TO-DATE</b>	<b>TO-DATE</b>
	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>(Unaudited)<sup>(2)</sup></b>	<b>(Unaudited)<sup>(2)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>
<b>FINANCING ACTIVITIES</b>		
Dividend paid	(3,600)	N/A
Repayment of lease liabilities	(3,508)	N/A
Drawdown of term loans	435	N/A
Repayment of term loans	(141)	N/A
Proceeds from issuance of shares capital, net of share issuance expenses	20,100	N/A
Repayment to a Director	(2)	N/A
<b>Net cash generated from financing activities</b>	<b>13,284</b>	<b>N/A</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	14,597	N/A
Brought forward	15,020	N/A
<b>Carried forward</b>	<b>29,617</b>	<b>N/A</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Fixed deposits with licensed banks	31,574	N/A
Cash and bank balances	12,175	N/A
	43,749	N/A
Less: Fixed deposits pledged	(13,409)	N/A
Less: Sinking fund pledged	(723)	N/A
	<b>29,617</b>	<b>N/A</b>

**Notes:**

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountant's Report as disclosed in the Prospectus and the accompanying explanatory notes attached to the interim financial report.
- (2) This is the third interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period as no interim financial report was prepared for the comparative financial period concerned.
- N/A Not applicable.



## **A. NOTES TO THE INTERIM FINANCIAL REPORT**

### **A1. Basis of Preparation**

The interim financial report of TCS Group Holdings Berhad (“TCS” or “Company”) and its subsidiaries (“Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134: Interim Financial Reporting and Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Securities.

This is the third interim financial report on the Company’s unaudited condensed consolidated financial results for the third quarter ended 30 September 2020 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying notes attached to this interim financial report.

### **A2. Significant Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Accountants’ Report as disclosed in the Prospectus.

### **A3. Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification on the audited financial statements of the Group for the financial year ended 31 December 2019.

### **A4. Seasonal or Cyclical Factors**

The Group’s performance have not been materially affected by any seasonal or cyclical factors during the current quarter and financial year-to-date.

### **A5. Items or Incidence of an Unusual Nature**

Save as disclosed in Notes A11 and B9, there were no unusual items affecting the assets, liabilities, equity, net income and cash flows during the current quarter and financial year-to-date.

### **A6. Changes in Estimates**

There were no material changes in estimates for the current quarter and financial year-to-date.

### **A7. Debt and Equity Securities**

Save as disclosed in Note B6, there were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares during the current quarter and financial year-to-date.

### **A8. Dividend Paid**

On 27 August 2020, the Board of Directors declared the first interim single-tier dividend of RM0.01 per ordinary share in respect of the financial year ending 31 December 2020 amounting to RM3.60 million.

The entitlement date for the first interim single-tier dividend was on 15 September 2020 and was paid on 29 September 2020.



## A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### A9. Segmental Reporting

The Group is principally involved in the provision of construction services for buildings, infrastructure, civil and structural works in Malaysia. The Group's segmental revenue for the current quarter and financial year-to-date is as follows:

<b>Financial year-to-date ended</b>	<b>Residential</b>	<b>Commercial</b>	<b>Elimination</b>	<b>Total</b>
<b>30.09.2020</b>				
<b>Unaudited</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue: -</b>				
External revenue	173,594	3,707	-	177,301
	<u>173,594</u>	<u>3,707</u>	<u>-</u>	<u>177,301</u>
<b>Segment results<sup>(1)</sup></b>				
Depreciation of property, plant and equipment				(4,436)
Interest income				365
Interest expenses				(729)
Unallocated income				127
Unallocated expenses				(156,927)
Tax expense				(4,533)
Segment profit				<u>11,168</u>

This is the third interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding period as no interim financial report was prepared for the comparative financial period concerned.

#### Note:

(1) The breakdown of segment results between residential and commercial is not available.

### A10. Valuation of Property, Plant and Equipment

There was no valuation of the property, plant and equipment during the current quarter and year-to-date.

### A11. Material Events Subsequent to the End of the Current Quarter

Save as disclosed in Notes B6 and B9, and Section 4.1.9, 6.1, 12.3.2(e), 12.3.5, 14(34) and 15.6 of the Prospectus, there are no material event during the current quarter and financial year-to-date.

### A12. Changes in Composition of the Group

On 24 September 2020, the Company incorporated a new 60% controlled subsidiary, TCS Amona Consortium Sdn. Bhd., with a paid up capital of RM100.00.

Save for the above, there are no other changes in the composition of the Group during the current quarter and financial year-to-date.



## A. NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### A13. Contingent Liabilities

Save as disclosed below, there were no other contingent liabilities as at the date of this interim financial report.

	<u>30.09.2020</u>	<u>31.12.2019</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>RM'000</u>	<u>RM'000</u>
Performance bonds guarantee for construction projects	47,029	30,585
Corporate guarantee given to financial institution for credit facilities granted to companies in which Directors have interests	14,393	14,713

### A14. Capital Commitments

Save as disclosed below, there were no other material capital commitments incurred or known to be incurred.

	<u>30.09.2020</u>	<u>31.12.2019</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>RM'000</u>	<u>RM'000</u>
<b>Authorised and contracted for:</b>		
Purchase of properties	283	718

### A15. Related Party Transactions

	<u>QUARTER ENDED</u>		<u>YEAR-TO-DATE ENDED</u>	
	<u>30.09.2020</u>	<u>30.09.2019</u>	<u>30.09.2020</u>	<u>31.09.2019</u>
	<u>Unaudited</u>	<u>Unaudited <sup>(1)</sup></u>	<u>Unaudited</u>	<u>Unaudited</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Rental expenses paid to the companies in which Directors have interests	70	N/A	211	N/A
Salary reimbursement paid to a company in which Directors have interests	-	N/A	22	N/A

#### Notes:

- (1) This is the third interim financial report announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period available as no interim financial report was prepared for the comparative financial period concerned.

N/A Not Applicable.



## **B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**

### **B1. Review of Group Performance**

The Group recorded revenue of RM67.82 million and profit before tax of RM7.00 million in the current quarter ended 30 September 2020. The revenue recognised is primarily contributed by the on-going projects such as Hermington Project, Tropicana Urban Homes Project, Suria Pantai Project and Woodbury Project.

For the current financial year-to-date ended 30 September 2020, the Group reported revenue of RM177.30 million and profit before tax of RM15.70 million. The Group's revenue is mainly attributed to its residential segment which accounted for RM173.59 million or 97.91% of the total revenue.

The Group has also incurred listing expenses of RM2.31 million in the financial year- to-date ended 30 September 2020.

There are no comparative figures for the preceding corresponding period as no interim financial report was prepared for the comparative financial period concerned being announced by the Group in compliance with the Listing Requirements.

### **B2. Comparison with the Immediate Preceding Year's Quarter Result**

For the current quarter, the Group has registered a higher revenue of RM67.82 million as compared to RM46.78 million in the preceding quarter. The Group's profit before tax has increased from RM2.04 million to RM7.00 million in the current quarter.

The Group recorded a higher revenue and profit before tax during the current quarter mainly due to higher level of construction activities from on-going projects pursuant to the resumption of construction works at project sites beginning 28 May 2020, as disclosed in Section 6.1 of the Prospectus.

### **B3. Commentary on Prospects**

Since its listing on 23 July 2020 up to-date, the Group has successfully secured three construction contracts with a total contract value of RM537.7 million. As at 30 September 2020, the Group has a total outstanding order book of RM898.27 million (including the construction project known as M Arisa with a value of RM323.0 million secured on 7 October 2020) to be recognised up to financial year ending 31 December ("FYE") 2023. These secured contracts are expected to contribute positively to the Group's earnings.

Pursuant to the Proposed Acquisition (as defined in Section B6 of this interim financial report), the Group will be given an aggregated profit guarantee of RM15.0 million, representing an average yearly profit guarantee of RM5.0 million for the next three financial years up to FYE 2023. This is expected to improve the Group's financial performance throughout the profit guarantee period whilst limiting the downside risk of its investment in Southern Score Sdn. Bhd. ("Southern Score").

Amidst the uncertainties in the global and local markets brought upon by the on-going outbreak of COVID-19 pandemic, the Group is taking cautious steps in implementing its expansion plans. The Group are growing foothold in the industry by participating in tenders for residential and commercial high-rise buildings, purpose-built buildings such as private hospitals and schools as well as institutional buildings such as government hospitals. In addition, the Group also plan to offer infrastructure construction services to include major roads, highways, and bridges.

Further, the Group envisages that the Proposed Acquisition (as defined in Section B6 of this interim financial report) will provide an avenue to collaborate with Southern Score to capitalise on potential synergies between the parties in expanding its building constructions activities whilst limiting its downside risk with the profit guarantee.

The long-term prospects of the construction industry remain promising underpinned by the implementation of various government measures and economic stimulus packages, as well as the upcoming infrastructure projects outlined in the Budget 2021. The management of TCS believes that it is well positioned to secure



more projects and grow its order book moving forward.

## B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

### B3. Commentary on Prospects (cont'd)

Premised on the above and barring unforeseen circumstances, the Board of Directors expects the Group's financial performance for the current financial year to be satisfactory.

### B4. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current quarter and financial year-to-date.

### B5. Tax Expense

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
	Unaudited	Unaudited <sup>(1)</sup>	Unaudited	Unaudited <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
<b>In respect of current period:</b>				
Income tax	1,904	N/A	4,533	N/A
Effective tax rate (%) <sup>(2)</sup>	27.20	N/A	28.87	N/A
Statutory tax rate (%)	24.00	N/A	24.00	N/A

#### Notes:

- (1) There is no comparative figures for the preceding corresponding quarter and period as no interim financial report was prepared for the comparative financial period concerned.
- (2) The effective tax rate for the current and financial year-to-date ended 30 September 2020 is higher than the statutory tax rate of 24% mainly due adjustment for non-deductible expenses
- N/A Not applicable.

### B6. Status of Corporate Proposals

In conjunction with the Company's listing on the ACE Market of Bursa Securities, the Company is undertaking an Initial Public Offering ("IPO") of 108,000,000 ordinary shares ("Shares") at an IPO price of RM0.23 per Share comprising:

- (i) public issue of 90,000,000 new Shares ("Issue Shares")("Public Issue") in the following manner:
- 10,800,000 Issue Shares to the Malaysian public;
  - 7,200,000 Issue Shares to the eligible directors and employees of the Group, and persons who have contributed to the success of the Group;
  - 32,400,000 Issue Shares to institutional and selected investors by way of private placement; and
  - 39,600,000 Issue Shares to identified Bumiputera investors approved by the Ministry of International Trade and Industry by way of private placement; and
- (ii) offer for sale of 18,000,000 existing Shares to institutional and selected investors by way of private placement.

The Company has completed the IPO and listing exercise on 23 July 2020.



## B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

### B6. Status of Corporate Proposals (cont'd)

On 17 November 2020, RHB Investment Bank Berhad, on behalf of the Board of Directors, announced that TCS had on even date entered into the following agreements:

- (i) a conditional share sale agreement with Super Advantage Property Sdn. Bhd. ("**Vendor**") for the proposed acquisition of 250,000 shares in Southern Score, representing an equity interest of 25.0%, for a consideration of RM30.0 million which will be fully satisfied via issuance of 60,000,000 new shares in TCS ("**TCS Shares**") ("**Consideration Shares**") at an issue price of RM0.50 per Consideration Share ("**Proposed Acquisition**"); and
- (ii) a shareholders' agreement with the Vendor and Southern Score to govern the management and operation of Southern Score, and regulate the relationship amongst the shareholders following completion of the Proposed Acquisition in respect of the financial, administrative and other arrangements which shall apply to Southern Score and the manner in which the company's affairs are to be regulated.

In addition, TCS proposes to undertake an issuance of up to 210,000,000 free warrants in TCS ("**Warrants**") on the basis of one Warrant for every two existing TCS Shares held on an entitlement date to be determined and announced by the Board at a later date, after completion of the Proposed Acquisition ("**Proposed Issue of Free Warrants**").

Barring any unforeseen circumstances and subject to the approvals being obtained from the relevant authorities, the Proposed Acquisition and Proposed Issue of Free Warrants are expected to be completed by first quarter of 2020.

Furthermore, the Board of Directors also announced on 17 November 2020 that TCS proposes to seek for shareholders' approval for the proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature at the forthcoming extraordinary general meeting of TCS to be convened. The circular to shareholders containing the details of this proposal will be issued to shareholders in due course.

Save as disclosed above, there are no other corporate proposals announced by the Company but not completed as at the date of this interim financial report.

### B7. Utilisation of Proceeds Raised from Public Issue

The gross proceeds of approximately RM20.70 million from the Public Issue is intended to be utilised in the following manner:

Utilisation of proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Estimated timeframe for utilisation from the date of listing
Purchase of new construction machinery and equipment	13,000	5,732	Within 36 months
Working capital for construction projects	4,200	-	Within 24 months
Estimated listing expenses	3,500	3,500	Within 3 months
<b>Total</b>	20,700	9,232	

The utilisation of proceeds as disclosed above should be read together with the Prospectus.



## B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

### B8. Borrowings

The details of the Group's borrowings are as follows: -

	<b>30.09.2020</b>	<b>31.12.2019</b>
	<b>Unaudited</b>	<b>Audited</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current:</b>		
Borrowings	9,557	9,367
Lease liabilities	5,488	5,101
	<b>15,045</b>	<b>14,468</b>
<b>Current:</b>		
Borrowings	385	281
Lease liabilities	5,983	3,821
	<b>6,368</b>	<b>4,102</b>
Total	<b>21,413</b>	<b>18,570</b>

All the borrowings are secured and denominated in Ringgit Malaysia.

### B9. Material Litigation

Save as disclosed in Section 15.6 of the Prospectus, there are no other material litigation pending as at the date of this interim financial report.

As at the date of this interim financial report, TCS Construction Sdn. Bhd. and MPM Project Management Sdn. Bhd. are in the midst of negotiating to reach an amicable settlement for the dispute.

### B10. Dividend

On 27 August 2020, the Board of Directors declared the first interim single-tier dividend of RM0.01 per ordinary share in respect of the financial year ending 31 December 2020 amounting to RM3.60 million.

The entitlement date for the first interim single-tier dividend was on 15 September 2020 and was paid on 29 September 2020.

### B11. Basic and Diluted Earnings Per Share

The basic/diluted earnings per share ("EPS") for the current quarter and financial year-to-date are computed as follows:

	<b>QUARTER ENDED</b>		<b>YEAR-TO-DATE ENDED</b>	
	<b>30.09.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>Unaudited</b>	<b>Unaudited<sup>(1)</sup></b>	<b>Unaudited</b>	<b>Unaudited<sup>(1)</sup></b>
Profit attributable to owner of the Company (RM'000)	5,097	N/A	11,169	N/A
Weighted average number of shares ('000)	360,000	N/A	360,000	N/A
Basic/Diluted EPS (sen) <sup>(2)</sup>	<b>1.42<sup>(3)</sup></b>	N/A	<b>3.10<sup>(3)</sup></b>	N/A



## B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS (CONT'D)

### Notes:

- (1) There are no comparative figures for the preceding corresponding quarter and period as no interim financial report was prepared for the comparative financial period concerned.
  - (2) The diluted earnings per share of the Group for the quarter and financial year-to-date are equivalent to the basic earnings per share as the Group does not have any convertible securities as at the end of the reporting period.
  - (3) Computation on basic earnings per share is based on the Group's weighted average number of ordinary shares during the period under review.
- N/A Not applicable.

## B12. Notes to the Condensed Consolidated Statement of Profit and Other Comprehensive Income

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
	Unaudited	Unaudited <sup>(1)</sup>	Unaudited	Unaudited <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Interest income	(148)	N/A	(365)	N/A
Interest expense	240	N/A	729	N/A
Reversal of impairment on other receivables	-	N/A	(3)	N/A
Amortisation of investment property	11	N/A	110	N/A
Depreciation of property, plant and equipment	1,563	N/A	4,436	N/A

### Notes:

- (1) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

N/A Not Applicable

Save as disclosed above, the other disclosure items as required under paragraph 16 of Appendix 9B of the Listing Requirements are not applicable.

## B13. Derivative Financial Instruments

The Group has not entered into any derivatives as at the date of this interim financial report.

## B14. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors of the Company in accordance with a resolution passed by the Board of Directors on 24 November 2020.

By order of the Board of Directors

Tan Tong Lang (MAICSA 7045482/ SSM PC No. 201908002253)  
Thien Lee Mee (LS 0009760/ SSM PC No. 201908002254)  
24 November 2020  
Company Secretaries