



**TIONG NAM**  
*www.tiongnam.com*

**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
Company No. 198901005177 (182485V)  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORT**  
**31 March 2021**



# TIONG NAM LOGISTICS HOLDINGS BERHAD

Company No. 198901005177 (182485V)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2021 – UNAUDITED

	INDIVIDUAL 3 MONTHS ENDED 31 MAR			CUMULATIVE 12 MONTHS ENDED 31 MAR		
	2021 RM ('000)	2020 RM ('000)	CHANGES %	2021 RM ('000)	2020 RM ('000)	CHANGES %
Revenue	169,185	142,786	18.49%	600,492	604,248	-0.62%
Direct operation expenses	(120,294)	(103,637)	16.07%	(434,371)	(446,879)	-2.80%
Depreciation and amortization	(19,266)	(16,933)	13.78%	(60,202)	(50,273)	19.75%
Finance cost	(10,649)	(16,029)	-33.56%	(44,225)	(49,298)	-10.29%
Other overhead expenses	(7,423)	(4,053)	83.14%	(40,352)	(45,118)	-10.56%
Operating profit	11,552	2,134	441.35%	21,341	12,680	68.31%
Share of profit / (loss) after tax in associates	10	(131)	-107.63%	64	(163)	-139.26%
Profit before tax	11,562	2,003	477.25%	21,405	12,517	71.01%
Tax expenses	(4,306)	(6,445)	-33.19%	(9,160)	(10,334)	-11.36%
Net profit for the period	7,256	(4,442)	-263.35%	12,245	2,183	460.93%
Attributable to:						
Equity holders of the Company	7,040	(4,346)	-261.99%	11,610	688	1,587.53%
Non-controlling Interest	216	(96)	-325.00%	635	1,495	-57.53%
Net profit for the period	7,256	(4,442)	-263.35%	12,245	2,183	460.93%
Basic earnings per ordinary shares (sen)	1.37	(0.96)	-242.66%	2.26	0.15	1,405.72%
Diluted earnings per ordinary shares (sen)	1.37	(0.96)	-242.66%	2.26	0.15	1,405.72%

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the financial statements



## TIONG NAM LOGISTICS HOLDINGS BERHAD

Company No. 198901005177 (182485V)  
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### CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2021 - UNAUDITED

	INDIVIDUAL 3 MONTHS ENDED 31 MAR			CUMULATIVE 12 MONTHS ENDED 31 MAR		
	2021 RM ('000)	2020 RM ('000)	CHANGES %	2021 RM ('000)	2020 RM ('000)	CHANGES %
Profit/(Loss) for the period	7,256	(4,442)	-263.35%	12,245	2,183	460.93%
Currency translation differences arising from consolidation	383	292	31.16%	154	383	-59.79%
<b>Total comprehensive income/(loss)</b>	<b>7,639</b>	<b>(4,150)</b>	<b>-284.08%</b>	<b>12,399</b>	<b>2,566</b>	<b>383.21%</b>
<b>Total comprehensive income/(loss) attributed to:</b>						
Equity holders of the Company	7,423	(4,054)	-283.11%	11,764	1,071	998.43%
Non-controlling interests	216	(96)	-325.00%	635	1,495	-57.53%
<b>Net profit/(loss) for the period</b>	<b>7,639</b>	<b>(4,150)</b>	<b>-284.08%</b>	<b>12,399</b>	<b>2,566</b>	<b>383.21%</b>

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the financial statements.



**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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 (Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021 – UNAUDITED**

	31 MAR 2021 RM ('000)	31 MAR 2020 RM ('000)
<b>Assets</b>		
Property, plant and equipment	1,096,419	1,013,753
Investment properties	45,967	48,790
Investment in associates	656	591
Deferred tax assets	24,595	20,101
Right-of-use assets	304,584	269,029
Inventories	152,898	152,249
<b>Total non-current assets</b>	<b>1,625,119</b>	<b>1,504,513</b>
Other Investments	35,391	8,760
Inventories	202,650	198,341
Receivables	226,456	191,234
Tax recoverable	7,575	12,489
Cash and cash equivalents	38,768	13,050
Asset classified as held for sales	-	23,000
<b>Total current assets</b>	<b>510,839</b>	<b>446,874</b>
<b>Total assets</b>	<b>2,135,958</b>	<b>1,951,387</b>
<b>Equity</b>		
Share capital	200,236	171,371
Reserves	590,391	516,758
<b>Total equity attributable to equity holders of the Company</b>	<b>790,627</b>	<b>688,129</b>
Minority interest	9,467	9,431
<b>Total equity</b>	<b>800,094</b>	<b>697,560</b>
<b>Liabilities</b>		
Deferred tax liabilities	72,964	51,490
Other payables	4	-
Lease liabilities	70,003	66,136
Loans and borrowings	731,640	660,252
<b>Total non-current liabilities</b>	<b>874,612</b>	<b>777,878</b>
Payables	137,648	121,843
Lease liabilities	13,776	13,433
Loans and borrowings	304,284	338,329
Provision for taxation	5,544	2,344
<b>Total current liabilities</b>	<b>461,252</b>	<b>475,949</b>
<b>Total liabilities</b>	<b>1,335,864</b>	<b>1,253,827</b>
<b>Total equity and liabilities</b>	<b>2,135,958</b>	<b>1,951,387</b>
<b>Net Assets per share (RM)</b>	<b>1.53</b>	<b>1.51</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.



**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2021 – UNAUDITED**

	← Attributable to shareholders of the Company →							Total Equity RM'000
	← Non-distributable →				Distributable		Minority Interest RM'000	
	Share Capital RM'000	Treasury Shares RM'000	Revaluation Reserves RM' 000	Exchange Fluctuation Reserves RM' 000	Retained Profits RM'000	Total RM'000		
At 01 April 2020	171,371	(9,964)	114,640	(193)	412,275	688,129	9,431	697,560
Total comprehensive Income/(loss) for the period	-	-	-	148	11,610	11,758	635	12,393
Purchase of own shares	-	(597)	-	-	-	(597)	-	(597)
New Share Issuance	28,865	-	-	-	-	28,865	-	28,865
Acquisition of non- controlling interest	-	-	-	-	-	-	101	101
Dividend paid to minority interest	-	-	-	-	-	-	(700)	(700)
Revaluation of Properties, net of deferred tax	-	-	62,471	-	-	62,471	-	62,471
At 31 March 2021	200,236	(10,561)	177,111	(45)	423,885	790,627	9,467	800,094

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.



**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31 MARCH - UNAUDITED**

	<b>31 MAR 2021</b>	<b>31 MAR 2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	21,405	12,517
<b>Adjustment for: -</b>		
Impairment loss / (Reversal of impairment loss) on trade receivable	1,532	(2,379)
Impairment of goodwill	-	-
Depreciation of PPE	38,094	33,289
Depreciation of right-of use assets	22,108	16,984
Interest expenses	44,225	49,298
<b>Loss/ (Gain) on disposals of: -</b>		
- quoted investments	(2,661)	(336)
- property, plant & equipment	(32)	(319)
Changes in fair value of investment properties	(2,388)	(8,137)
Revaluation surplus on properties with previous revaluation deficit charged in profit or loss	(658)	-
Share of (profit)/loss in associates	(65)	163
Interest income	(210)	(1,388)
Quoted investment		
- Fair value (gain) / loss	(7,352)	3,759
- Gross dividends	(641)	(607)
	<b>113,357</b>	<b>103,057</b>
<b>Changes in working capital:</b>		
Changes in inventories	(4,958)	(25,090)
Changes in trade and other receivables	(36,754)	54,825
Changes in trade and other payables	15,699	(40,778)
	<b>87,344</b>	<b>92,014</b>
Tax refunded/(paid)	(2,563)	(1,024)
<b>Net cash from operating activities</b>	<b>84,781</b>	<b>90,990</b>



**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31 MARCH - UNAUDITED - CONTINUATION**

	31 MAR 2021 RM'000	31 MAR 2020 RM'000
<b>Cash flows from investing activities</b>		
<b>Acquisition of: -</b>		
- property, plant and equipment	(28,927)	(58,251)
- right of use assets	(11,110)	(41)
- investment properties	(77)	(363)
- minority interest	101	(2,619)
- NCI acquired shares	-	49
<b>Proceeds from disposal of: -</b>		
- quoted investments	17,842	3,877
- withdrawal of investment	-	-
- property, plant and equipment	598	698
<b>Investment in</b>		
- quoted shares	(34,460)	(3,989)
<b>Interest received</b>	210	1,388
<b>Dividend received</b>	641	607
<b>Net cash used in investing activities</b>	<b>(55,182)</b>	<b>(58,693)</b>
<b>Cash flows from financing activities</b>		
<b>Drawdown of term loan</b>	200,458	169,452
<b>(Repayment of) / Proceeds from:</b>		
- term loan	(118,186)	(123,995)
- finance lease liabilities	(14,344)	(14,415)
- short term borrowings	(45,830)	23,651
<b>Payment of lease liabilities</b>	(21,554)	(11,725)
<b>Purchase of own shares</b>	(597)	(2,745)
<b>Interest paid</b>	(40,171)	(50,591)
<b>Proceed from issue of share capital</b>	28,864	-
<b>(Increase) / decrease in pledged deposits with licensed bank</b>	(16)	(795)
<b>Dividend paid to shareholders of the Company</b>	-	-
- Current year		
<b>Dividend paid to minority shareholders of Subsidiaries</b>	(700)	(1,796)
<b>Net cash from financing activities</b>	<b>(12,075)</b>	<b>(12,910)</b>
<b>Exchange differences on translation of the financial statements of foreign subsidiary</b>	36	383
<b>Net increase / (decrease) in cash and cash Equivalents</b>	17,561	19,770
<b>Cash &amp; cash equivalents at beginning of year</b>	3,457	(16,313)
<b>Cash &amp; cash equivalents at end of year</b>	<b>21,018</b>	<b>3,457</b>



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED 31 MARCH - UNAUDITED - CONTINUATION**

	<b>31 MAR 2021 RM'000</b>	<b>31 MAR 2020 RM'000</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	37,042	11,340
Fixed deposits with licensed banks	1,726	1,710
Bank overdraft	(16,023)	(7,883)
	<b>22,744</b>	<b>5,167</b>
<b>Less: Deposits pledged</b>	<b>(1,726)</b>	<b>(1,710)</b>
	<b>21,018</b>	<b>3,457</b>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.





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

### **A1 Basis of Preparation**

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Malaysian Financial Reporting Standards (MFRS) 134 Interim Financial Reporting, issued by Malaysian Accounting Standard Board (MASB).

The interim financial statements should be read in conjunction with the Group's financial statement for the year ended 31 March 2020. This interim report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year 2018 annual financial statements.

### **A2 Accounting Policies**

The significant accounting policies, method of computation and basis of consolidation applied in the consolidated condensed interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 March 2020.



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**A3 Audit Opinion**

The audit report of the Company and its subsidiaries for the preceding annual financial statements were not subject to any audit qualification.

**A4 Seasonality or Cyclicity of Interim Operations**

The operations of the Group shall be affected during the festive season in the months of June, December and January where there are lesser working days in the said months.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There are no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2021.

**A6 Material Changes in Estimates**

There were no changes in estimates of amounts that have had material effect in the current quarter results.

**A7 Issuance, Cancellation, Repurchase, Resale and Repayment of Debts and Equity Securities**

There are no issuance, cancellation, repurchase, resale, and repayment of debts and equity securities for the financial period ended 31 March 2021 other than the following: -

i) The Group repaid term loans of RM 16.7 million for the quarter ended 31 March 2021.

ii) During the fourth quarter ended 31 March 2021, the Company did not purchase its issued ordinary shares from the open market. The Company held a total of 13,775,295 treasury shares as at 31 March 2021.

iii) On 17 December 2020, the Company had issued 67,050,000 new ordinary shares in the Company to Mr Ong Yoong Nyock representing approximately 15% of total number of issued shares in the Company.

	<b>No. of Ordinary Shares</b>
<b>As at 1 April 2020</b>	<b>460,775,486</b>
<b>New share issuance</b>	<b>67,050,000</b>
<b>As at 31 March 2021</b>	<b>527,825,486</b>



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**A8 Dividend Paid**

No dividend was paid in the quarter ended 31 March 2021.

**A9 Segmental Report**

	As at 31 March 2021 RM'000	As at 31 March 2020 RM'000
<b><u>Assets Employed</u></b>		
Logistics & Warehousing Services	1,409,797	1,255,406
Investments	36,047	9,351
Property Development Projects	425,970	445,680
Hotel & Dormitory	264,144	240,950
	2,135,958	1,951,387

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2021 RM' 000	2020 RM' 000	2021 RM' 000	2020 RM' 000
<b><u>Revenue</u></b>				
Logistics & Warehousing Services	165,434	131,661	589,914	547,742
Investments	323	-	641	606
Property development	2,165	8,975	3,670	44,052
Hotel & Dormitory	1,263	2,150	6,267	11,848
	169,185	142,786	600,492	604,248



**A9 Segmental Report (cont.)**

	Individual 3 months ended 31 March									
	Logistics and warehousing services		Investment		Property development		Hotel & Dormitory		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Segment profit, profit before tax, interest, depreciation and amortisation	40,024	37,338	323	(4,418)	1,609	4,258	(621)	(3,376)	41,335	33,802
Depreciation and amortisation	(17,688)	(15,613)	-	-	(186)	47	(1,392)	(1,367)	(19,266)	(16,933)
Interest Income	117	1,029	-	-	15	265	-	-	132	1,294
Finance costs	(6,013)	(10,494)	-	701	(1,816)	(3,368)	(2,820)	(2,868)	(10,649)	(16,029)
Share of profit of associates	-	-	10	(131)	-	-	-	-	10	(131)
<b>Profit before tax</b>	<b>16,440</b>	<b>12,260</b>	<b>333</b>	<b>(3,848)</b>	<b>(378)</b>	<b>1,202</b>	<b>(4,833)</b>	<b>(7,611)</b>	<b>11,562</b>	<b>2,003</b>

	Cumulative 12 months ended 31 March									
	Logistics and warehousing services		Investment		Property development		Hotel & Dormitory		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	RM '000	AUDITED RM '000	RM '000	AUDITED RM '000	RM '000	AUDITED RM '000	RM '000	AUDITED RM '000	RM '000	RM '000
Segment profit, profit before tax, interest, depreciation and amortisation	124,404	99,400	6,182	(2,817)	(2,632)	17,770	(2,396)	(3,490)	125,558	110,863
Depreciation and amortisation	(53,739)	(44,510)	-	-	(737)	(1,498)	(5,726)	(4,265)	(60,202)	(50,273)
Interest Income	140	1,089	-	-	71	299	-	-	211	1,388
Finance costs	(23,781)	(24,509)	-	-	(8,516)	(13,972)	(11,928)	(10,817)	(44,225)	(49,298)
Share of profit of associates	-	-	64	(163)	-	-	-	-	64	(163)
<b>Profit before tax</b>	<b>47,023</b>	<b>31,470</b>	<b>6,246</b>	<b>(2,980)</b>	<b>(11,814)</b>	<b>2,599</b>	<b>(20,050)</b>	<b>(18,572)</b>	<b>21,405</b>	<b>12,517</b>



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**A10 Valuation of Property, Plant & Equipment**

Under MFRS140, investment properties were measured at fair value. All the land and buildings and investment properties were revalued in March 2021 by an independent professional valuer based on open market basis using comparison method and cost method. Trucks, trailers and machineries and equipments are stated at cost less accumulated depreciation.

**A11 Subsequent Material Events**

There are no material events subsequent to the end of the period that have not been reflected in this quarterly report.

**A12 Changes in the Composition of the Group**

There were no changes in composition of the Group during the current quarter and financial period-to-date.

**A13 Contingent Liabilities and Contingent Assets**

There are no changes in contingent liabilities and contingent assets since the last annual balance sheet date.

**A14 Capital Commitments**

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM 66.6 million in respect of property, plant and equipment.



**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
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**B ADDITIONAL INFORMATION IN THE INTERIM FINANCIAL REPORT REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

**B1 Review of Performance of the Group**

Revenue for the current quarter has increased by 18.5% to RM 169.2 million as compared to RM 142.8 million for the preceding year corresponding quarter.

Revenue for Logistics and Warehousing Services has increased by 25.7% to RM 165.4 million as compared to RM 131.7 million for the preceding year corresponding quarter. This increase is due to securing new total logistics customers as well as business expansion from our existing customers.

Property Development revenue has decreased by 328.6% to RM 2.1 million compared to RM 9 million for the preceding year corresponding quarter.

Revenue for hotel and dormitory has decreased by 40.9% to RM 1.3 million as compared to RM 2.2 million for the preceding year corresponding quarter.

The Group posted a pre-tax profit of RM 11.6 million for the current quarter as compared to the pre-tax profit of RM 2.0 million for the preceding year corresponding quarter.

The Group posted a higher pre-tax profit of RM 21.4 million for current year as compared to the pre-tax profit of RM 12.5 million for the preceding year.

**B2 Variation of Results Against the Preceding Quarter**

Revenue for the current quarter has increased by 6.2% to RM 169.2 million as compared to RM 159.3 million for the preceding quarter. This increase is mainly due to increase of revenue for Logistics & Warehousing services segment.

Revenue for Logistics and Warehousing Services has increased by 5.3% to RM 165.4 million compared to RM 157.1 million for the preceding quarter.

Property Development revenue has increase by 250.0% to RM 2.1 million as compared to RM 0.6 million for the preceding quarter.

Revenue for hotel and dormitory is flat at RM 1.3 million as compared to RM 1.5 million for the preceding quarter.

The Group posted a higher pre-tax profit of RM 11.6 million compared to the pre-tax profit of RM 8.9 million for the preceding quarter.



## TIONG NAM LOGISTICS HOLDINGS BERHAD

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### B3 Current Year Prospects

The global and regional economic climate for the financial year 2022 is expected to be affected by COVID-19. Hence the Group's core logistics and warehousing services segment is expected to be affected by the slow down.

However, the Group will continue to strategize to maintain our market shares, focus on operational efficiency, cost control, service innovation to sustain its core logistics & warehousing business over the long term.

The property development and hotel & dormitory segments are expected to incur operating loss in financial year 2022.

### B4 Profit Forecast

Not applicable.

### B5 Tax Expense

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Income Tax	2,217	5,835	11,149	13,333
Deferred Taxation	2,089	610	(1,989)	(2,999)
	<b>4,306</b>	<b>6,445</b>	<b>9,160</b>	<b>10,334</b>

The Group's effective tax rate for individual 3 months and cumulative 12 months were higher than the statutory tax rate due to certain expenses which was non-deductible.

### B6 Profit / (Loss) on Sale on Unquoted Investments

There was no disposal of unquoted investments for the current quarter and financial period to date.



**B7 Status of Corporate Proposals**

At the Extraordinary General Meeting held on 10 December 2020, the Company had obtained shareholders' approval for issuance of 67,050,000 new ordinary shares in the Company to Mr Ong Yoong Nyock, representing approximately 15% of total number of issued shares in the Company. The Share Issuance has been completed following the listing of and quotation for 67,050,000 Subscriptions Shares on the Main Market of Bursa Securities on 17 December 2020, raising RM 29.2 million for the Company.

The detail of the utilisation of proceeds from the Share Issuance as at 31 March 2021 was as follows: -

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Adjustment (RM'000)	Balance to be utilized (RM'000)	Intended for Timeframe Utilisation
Capital expenditure for business expansion	28,794	(2,062)	70	26,802	Within 6 months
Estimated expenses in relation to the Proposed Share Issuance	400	(330)	(70)	-	Within 1 month
<b>Total proceeds</b>	<b>29,194</b>	<b>(2,392)</b>	<b>-</b>	<b>26,802</b>	

**B8 Group Borrowings and Debt Securities**

**Borrowings in Malaysian Ringgit**

	31 March 2021 RM'000	31 March 2020 RM'000
<b>Non-current</b>		
<b>Secured</b>		
- Hire purchase liabilities	25,977	34,225
- Term loans	705,663	626,027
	731,640	660,252
<b>Current</b>		
<b>Secured</b>		
- Hire purchase liabilities	16,102	15,093
- Term loans	69,872	67,236
	85,974	82,329
<b>Unsecured</b>		
- Revolving credits	142,600	173,500
- Bankers' acceptances	59,687	74,617
- Bank overdrafts	16,023	7,883
	218,310	256,000
	304,284	338,329
<b>Total borrowings</b>	<b>1,035,924</b>	<b>998,581</b>





**TIONG NAM LOGISTICS HOLDINGS BERHAD**  
Company No. 198901005177 (182485V)  
(Incorporated in Malaysia)

**B9 Off Balance Sheet Financial Instruments**

There was no financial instrument with off balance sheet risk at the date of this report.

**B10 Material Litigation**

**(a) Terminal Perintis Sdn Bhd vs Tan Ngee Hong Construction Sdn Bhd**

On 26 March 2014, Terminal Perintis Sdn Bhd ("TPSB") awarded to Tan Ngee Hong Construction Sdn. Bhd. ("Contractor") a contract and the parties have entered into a PAM Contract 2006 ("Contract") dated 23 December 2014 for Proposed Mixed Commercial Strata Development of 1 block of 22 storey Service Apartment, 1 block of 22 storey Hotel, 5 storey Podium and Carpark inclusive of 2 storey basement, 19 lots retail space, management office, refuse chamber, 1 unit Stesen Suis Utama (SSU) and 1 unit Guard House for the development of the Pinetree Marina Resort at Johor Bahru, Johor Darul Ta'zim.

Malayan Banking Berhad ("MBB") has agreed to guarantee the due performance of the Project by the Contractor via bank guarantee for Performance Bond No. 99080BGP6052351 dated 28 August 2014 ("BG").

On 4 August 2015, the Architect issued a notice of default to the Contractor, pursuant to Clause 25 of the Contract inter alia on the basis that the Contractor had failed to proceed regularly and diligently with the works and hence a delay in the progress of the works by 288 days.

On 18 August 2015, TPSB exercised its rights pursuant to clause 25 of the Contract to determine the employment of the Contractor under the Contract between TPSB and the Contractor.

Subsequently, TPSB served a letter of demand to MBB requesting the release of payment amounting to RM 15,738,100.00 pursuant to the BG.

MBB has on 25 September 2015 remitted the said amount to TPSB.

On 1 October 2015, the Contractor serves TPSB an Originating Summons No. 24NCvC-613-09/2015 dated 1 October 2015 together with a sealed copy of the Ex Parte Order dated 27 September 2015 by the Contractor through its solicitors, Messrs. Tan Swee Im, P.Y. Hoh & Tai to order TPSB to either pay back the sum received to MBB, or place the sum received on trust and in favour of the Contractor until further notice from the Court.

On 28 January 2016, the High Court dismissed Contractor's application and set-aside the Ex Parte Order dated 27 September 2015 with costs of RM 8,000 to TPSB.

On 22 April 2016, the Contractor filed its point of claim against TPSB to Arbitration amounting to RM 56,897,448.58, which among other includes request to refund RM 15,738,100 on the above-mentioned BG.

TPSB has filed in its Defence and Counterclaim amounting to RM 82,883,326.60 being costs and expenses incurred by TPSB due to the substantial delay caused by the Contractor, in accordance with the terms and conditions of the Contract.



**B10 Material Litigation (cont.)**

The initial hearing dates are on 4 Jan 2017 to 6 Jan 2017, 9 Jan 2017 to 13 Jan 2017, 16 Jan 2017 and 17 Jan 2017. This hearing date has been further postponed to 24 October 2017, 27 October 2017, 30-31 October 2017, 1-2 November 2017 and 27-30 November 2017.

Both TPSB and Contractor have agreed to defer the exchange of witness statement and to vacate all hearing dates fixed earlier. The new hearing date shall be determined and fixed later.

Arbitration proceeding are presently stopped as the Contractor is in liquidation and there is no update from the Liquidator whether to proceed the Arbitration. There is no hearing date fixed by both TPSB and the Contractor.

**B11 Dividends**

The Board of Directors did not recommend the payment of dividend for the current quarter ended 31 March 2021.

**B12 Earnings Per Share**

The number of ordinary shares used in the computation of EPS

	Individual 3 months ended 31 March		Cumulative 12 months ended 31 March	
	2021 '000	2020 '000	2021 '000	2020 '000
Basic	514,050	454,130	514,050	454,130
Diluted earnings per share	514,050	454,130	514,050	454,130



**B13 Notes to Statements of Comprehensive Income**

	INDIVIDUAL 3 MONTHS ENDED 31 MARCH RM '000		CUMULATIVE 12 MONTHS ENDED 31 MARCH RM '000	
	2021	2020	2021	2020
Net profit for the period is arrived at after charging / (crediting)				
Audit fees	108	80	482	541
Depreciation of: -				
- Property, Plant & Equipment	10,535	4,665	38,094	33,289
- Right-of-use Assets	8,731	12,268	22,108	16,984
Contributions to Employees Provident Fund	2,095	1,946	8,209	8,436
Wages, salaries and others	22,784	27,264	100,544	108,848
Expenses relating to short-term leases	16,753	15,592	51,302	44,887
(Gain)/loss on disposal of: -				
- quoted investments	(878)	(826)	(2,661)	(336)
- property, plant and equipment	-	(195)	(71)	(319)
Rental income from:				
- land and buildings	(271)	(5,133)	(3,959)	(1,108)
Change in fair value of investment properties	(2,388)	(8,137)	(2,388)	(8,137)
(Gain) /Loss on foreign exchange:				
- Realised	(168)	266	(28)	(350)
Quoted investments:				
- fair value (gain) / loss	(1,811)	5,244	(7,352)	3,759
- gross dividends	(323)	605	(641)	(1)
Impairment loss / (gain) on:				
- receivables	(1,406)	(2,363)	1,532	(2,379)
- property, plant and equipment	(1,149)	-	(1,149)	-
Interest income	(131)	(1,293)	(210)	(1,388)