



**SPRING ART HOLDINGS BERHAD**

**COMPANY NO: 201801016143 (1278159-A)**

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THIRD QUARTER ENDED 30 SEPTEMBER 2020**

**SPRING ART HOLDINGS BERHAD**  
**COMPANY NO: 201801016143 (1278159-A)**  
**UNAUDITED CONDENSED CONSOLIDATED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020 (a)**

	Unaudited As At 30.09.2020 RM'000	Audited As At 31.12.2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	24,125	24,515
Right-of-use assets	9,735	8,773
<b>Total non-current assets</b>	<u>33,860</u>	<u>33,288</u>
<b>Current Assets</b>		
Inventories	9,411	7,479
Trade receivables	5,375	4,394
Other receivables	2,868	3,657
Derivatives financial instruments	72	145
Short term investments	19,079	18,061
Fixed deposits with licensed bank	6,434	11,501
Cash and bank balances	9,277	3,395
<b>Total current assets</b>	<u>52,516</u>	<u>48,632</u>
<b>TOTAL ASSETS</b>	<u><b>86,376</b></u>	<u><b>81,920</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company:-</b>		
Share capital	54,754	54,754
Revaluation reserve	7,139	7,264
Merger deficit	(31,300)	(31,300)
Retained profits	38,633	33,279
<b>Total equity</b>	<u>69,226</u>	<u>63,997</u>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Borrowings	5,026	5,560
Lease liabilities	563	20
Deferred tax liabilities	3,138	2,966
<b>Total non-current liabilities</b>	<u>8,727</u>	<u>8,546</u>
<b>Current Liabilities</b>		
Trade payables	4,691	4,631
Other payables	1,802	3,550
Derivatives financial instruments	-	-
Borrowings	686	633
Lease liabilities	691	78
Tax payable	553	485
<b>Total current liabilities</b>	<u>8,423</u>	<u>9,377</u>
<b>Total liabilities</b>	<u>17,150</u>	<u>17,923</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>86,376</b></u>	<u><b>81,920</b></u>
<b>Net asset per share (RM) (b)</b>	<b>0.17</b>	<b>0.15</b>

**Notes:**

- (a) 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 Group's annual audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.
- (b) Net assets per ordinary share is calculated based on the Company's number of ordinary shares at the end of the reporting period which is 415,687,000 shares.

**SPRING ART HOLDINGS BERHAD**  
**COMPANY NO: 201801016143 (1278159-A)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (a)**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Unaudited Current Year Quarter 30.09.2020 RM'000	Unaudited Preceding Year Corresponding Quarter 30.09.2019(b) RM'000	Unaudited Current Year -To-Date 30.09.2020 RM'000	Unaudited Preceding Year Corresponding Period 30.09.2019(b) RM'000
Revenue	17,303	16,450	39,077	44,146
Cost of Sales	(11,958)	(11,244)	(28,478)	(30,868)
<b>Gross Profit ("GP")</b>	<b>5,345</b>	<b>5,206</b>	<b>10,599</b>	<b>13,278</b>
Other income	124	234	499	404
Selling and distribution expenses	(533)	(567)	(1,158)	(1,643)
Administrative expenses	(892)	(865)	(3,022)	(2,436)
Other expenses	(32)	(181)	(110)	(363)
Finance costs	(63)	(72)	(213)	(234)
<b>Profit before tax ("PBT")</b>	<b>3,949</b>	<b>3,755</b>	<b>6,595</b>	<b>9,006</b>
Tax expense	(910)	(702)	(1,366)	(1,790)
<b>Profit after tax ("PAT")</b>	<b>3,039</b>	<b>3,053</b>	<b>5,229</b>	<b>7,216</b>
<b>Other comprehensive income net of tax: -</b>	-	-	-	-
<b>Items that will not reclassified subsequently to profit or loss</b>				
Realisation of revaluation reserve upon depreciation of revalued assets	42	42	125	125
Transfer of revaluation reserve to retained earnings	(42)	(42)	(125)	(125)
	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>3,039</b>	<b>3,053</b>	<b>5,229</b>	<b>7,216</b>
<b>Profit for the financial period attributable to :</b>				
Owners of the Company	3,039	3,053	5,229	7,216
	<b>3,039</b>	<b>3,053</b>	<b>5,229</b>	<b>7,216</b>
<b>Total comprehensive income for the financial period attributable to :</b>				
Owners of the Parent	3,039	3,053	5,229	7,216
	<b>3,039</b>	<b>3,053</b>	<b>5,229</b>	<b>7,216</b>
Basic earnings per share (in sen) (c)	0.73	2.51	1.26	5.94
Diluted earnings per share (in sen) (d)	0.73	2.51	1.26	5.94

**Notes:**

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.
- (b) Basic earnings per share is calculated based on enlarged share capital of 318,000,000 shares before our IPO. Diluted EPS of the Company for the individual quarter ended 30 September 2019 and period-to-date 30 September 2019 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of 30 September 2019.
- (c) Basic earnings per share is calculated based on the Company's number of ordinary shares at the end of the reporting period which is 415,687,000 shares.
- (d) Diluted earnings per share of the Company for the individual quarter ended 30 September 2020 and year-to-date ended 30 September 2020 is equivalent to the basic earnings per share as the Company does not have any convertible options as at the end of the reporting period.

**SPRING ART HOLDINGS BERHAD**  
**COMPANY NO: 201801016143 (1278159-A)**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (a)**

	Non-distributable			Distributable	
	Share Capital RM'000	Revaluation reserve RM'000	Merger reserve RM'000	Retained Profits RM'000	Total Equity RM'000
	Preceding Year				
Balance as at 1 January 2019	500	7,431	-	28,123	36,054
Total comprehensive income for the financial year	-	-	-	8,069	8,069
Realisation of revaluation reserve upon depreciation of revalued assets	-	(167)	-	167	-
<b>Transactions with owners:-</b>					
Dividend paid	-	-	-	(3,080)	(3,080)
Issue of ordinary shares	24,422	-	-	-	24,422
Share issuance expenses	(1,468)	-	-	-	(1,468)
Issuance of shares pursuant to acquisition of subsidiary company	31,800	-	-	-	31,800
Acquisition of subsidiary company	(500)	-	(31,300)	-	(31,800)
<b>Balance as at 31 December 2019 (Audited)</b>	<b>54,754</b>	<b>7,264</b>	<b>(31,300)</b>	<b>33,279</b>	<b>63,997</b>
Total comprehensive income for the financial period	-	-	-	5,229	5,229
Realisation of revaluation reserve upon depreciation of revalued assets	-	(125)	-	125	-
<b>Balance as at 30 September 2020 (Unaudited)</b>	<b>54,754</b>	<b>7,139</b>	<b>(31,300)</b>	<b>38,633</b>	<b>69,226</b>

**Notes:**

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.

**SPRING ART HOLDINGS BERHAD**  
**COMPANY NO: 201801016143 (1278159-A)**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (a)**

	<b>CUMULATIVE QUARTER</b>	
	<b>Unaudited Current Year -To-Date 30.09.2020</b>	<b>Unaudited Preceding Year Corresponding Period 30.09.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	6,595	9,006
Adjustments for :		
Depreciation of property, plant and equipment	1,324	1,383
Depreciation of right-of-use assets	647	-
Fair value loss on derivative financial instruments	74	109
Finance costs	213	234
Interest income	(481)	(63)
Unrealised foreign exchange loss/ (gain)	57	(8)
Operating cash flows before changes in working capital	<u>8,429</u>	<u>10,661</u>
Increase in inventories	(1,932)	(1,307)
Increase in trade and other receivables	(132)	(2)
Decrease in trade and other payables	(1,697)	(592)
<b>Cash generated from operations</b>	<u>4,668</u>	<u>8,760</u>
Income tax paid	(1,124)	(1,558)
Interest paid	(213)	(234)
<b>Net cash generated from operating activities</b>	<u>3,331</u>	<u>6,968</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(936)	(3,996)
Increase in right of use assets	78	-
Interest received	481	63
<b>Net cash used in investing activities</b>	<u>(375)</u>	<u>(3,933)</u>
<b>Cash flows from financing activities</b>		
Dividend paid	-	(1,000)
Payment of principal portion of lease liabilities	(532)	-
Repayment of term loans	(482)	(433)
<b>Net cash used in financing activities</b>	<u>(1,014)</u>	<u>(1,433)</u>
Net Increase in cash and cash equivalents	1,942	1,602
Effect of exchange rate changes on cash and cash equivalents	(109)	(7)
Cash and cash equivalents at beginning of financial period	32,957	3,672
Cash and cash equivalents at end of financial period	<u><b>34,790</b></u>	<u><b>5,267</b></u>
Cash and cash equivalents included in the cash flow statements comprise the followings:		
Cash and bank balances	9,277	3,866
Fixed deposits with a licensed bank	6,434	1,401
Money market fund	19,079	-
	<u><b>34,790</b></u>	<u><b>5,267</b></u>

Notes:

- (a) The basis of preparation of the Unaudited Condensed Consolidated Statement of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to this interim financial report.