



TCS Group Holdings Berhad

(Registration No. 201901004613 (1313940-W))

PRESS STATEMENT / SIARAN AKHBAR

(FOR IMMEDIATE RELEASE)

9MFY2020 REVENUE AT RM177.30 MILLION

Kuala Lumpur, 24 November 2020 – Building and infrastructure construction services provider, TCS Group Holdings Berhad (“TCS” or the “Group”) (“TCS 集团控股有限公司”) announced its third quarter (“3QFY2020”) and nine months financial results today for the period ended 30 September 2020 (“9MFY2020”).

For the current quarter under review, TCS Group’s results demonstrated healthy recovery, with a higher revenue of RM67.82 million versus RM46.78 million recognised in the immediate preceding quarter for the period ended 30 June 2020 (“2QFY20”), representing a quarter-on-quarter (“QoQ”) increase of 44.97%. Performance in the preceding quarter was mainly affected by temporary suspension of construction activities as a result of imposition of the Movement Control Order (“MCO”) and Conditional Movement Control Order (“CMCO”).

Since then, construction activities for its on-going projects such as The Hermington, Tropicana Urban Homes, Suria Pantai and Woodbury have resumed to normal pace.

On a cumulative basis, the Group achieved a revenue of RM177.30 million in 9MFY2020, mainly contributed by its on-going residential projects, accounting for 97.91% or RM173.59 with the remainder contributed from its commercial projects.

TCS' profit before tax ("PBT") stood at RM15.70 million for the cumulative nine-month period. This included a one-off listing expenses amounting to RM2.31 million.

Commenting on the financial performance, **Managing Director of TCS Group, Dato' Ir Tee Chai Seng ("拿督郑再盛")** said, "We are heartened with our 3QFY20 results, which showed recovery and resilience in our operations during the current challenging business environment as a result of the coronavirus disease ("COVID-19") pandemic. We continue to be in full compliance with the stringent Standard Operating Procedures ("SOPs") imposed by the authorities. Health and safety at work remains our utmost priority at TCS, especially during the current pandemic."

"Looking ahead, while we anticipate the economic situation to remain challenging, we are keeping a positive attitude. Since our listing in July 2020, we have already bagged three construction projects worth a total contract value of RM537.7 million. We are not resting on our laurels, instead we are constantly on the lookout for opportunities to further enhance our order book. As at 30 September 2020, the Group's order book stood at RM898.27 million, which included the Vista Sentul project and Elmina Green Three project which we secured in July 2020 and August 2020 respectively as well as the RM323.00 million M Arisa project secured in October 2020."

On the corporate front, TCS has recently on 17 November 2020 entered into a Conditional Share Sale Agreement with Super Advantage Property Sdn. Bhd. ("Vendor") for the proposed acquisition of 25.00% equity interest in Southern

Score Sdn. Bhd. (“Southern Score”) for a consideration of RM30.00 million, which will be fully satisfied via issuance of 60,000,000 new shares in TCS at RM0.50 per ordinary share (“Proposed Acquisition”). Upon completion, Southern Score will be an associate company of TCS and paving way for future collaboration. The Group envisages that the Proposed Acquisition will provide an avenue to collaborate with Southern Score to capitalize on potential synergies between the parties.

Southern Score is principally engaged in the business of construction, contractors, subcontractors, and property development, and a Grade 7 contractor registered with Construction Industry Development Board.

“We are working hard to sustain the momentum into 2021 and remain upbeat on the prospects of TCS underpinned by the expected recovery in the construction sector. On balance, we are taking cautious steps in implementing our expansion plans, including the Proposed Acquisition which we envisage that it will provide an avenue to collaborate with Southern Score to capitalize on potential synergies between the parties in expanding the Group’s building construction activities whilst limiting our downside risk with the profit guarantee. The long-term prospects of the construction industry remain promising as well, backed by the implementation of various government measures and economic stimulus packages to strengthen the Malaysian economy, as well as the upcoming infrastructure projects to be outlined in the Budget 2021.”

“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.” Dato’ Ir. Tee further added.

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About TCS Group Holdings Berhad

TCS Group provides construction services for buildings, infrastructure, civil and structural works in Malaysia. Under building construction, the Group has completed various types of residential buildings such as terrace houses, bungalows, high rise apartments and condominium, as well as commercial buildings such as shop offices, a shopping complex and even purpose-built buildings. TCS Group is also involved in civil works such as roads, water and sewerage treatment plants, electrical substations, water tanks and reticulation systems for townships.

For more information please log on to: www.tcsgroup.com.my

Released on behalf of TCS Group Holdings Berhad by Capital Front Investor Relations.

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