

PEGASUS HEIGHTS BERHAD (19727-P)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Note	Individual quarter ended		Cumulative quarter ended	
		31.12.2019 RM'000	31.12.2018 RM'000	31.12.2019 RM'000	31.12.2018 RM'000
Revenue	A5	7,569	2,096	14,240	10,179
Cost of sales		(7,553)	(1,694)	(13,492)	(10,021)
Gross profit		<u>16</u>	<u>402</u>	<u>748</u>	<u>158</u>
Other income		131	33	338	441
Administrative and other expenses		(3,665)	(12,305)	(9,551)	(17,444)
Share options to Employee		-	5	(4,736)	(3,585)
Finance cost		(17)	(300)	(767)	(1,141)
(Loss) before taxation	A5	<u>(3,535)</u>	<u>(12,165)</u>	<u>(13,968)</u>	<u>(21,571)</u>
Taxation	B5	-	(1,272)	(20)	(1,280)
(Loss) for the financial period		<u>(3,535)</u>	<u>(13,437)</u>	<u>(13,988)</u>	<u>(22,851)</u>
Other comprehensive income		-	-	-	-
Total comprehensive (loss) for the financial period		<u>(3,535)</u>	<u>(13,437)</u>	<u>(13,988)</u>	<u>(22,851)</u>
(Loss) attributable to:					
Equity holders of the parent		(3,535)	(13,437)	(13,988)	(22,851)
Minority interests		-	-	-	-
		<u>(3,535)</u>	<u>(13,437)</u>	<u>(13,988)</u>	<u>(22,851)</u>
Total comprehensive income / (loss) attributable to:					
Equity holders of the parent		(3,535)	(13,437)	(13,988)	(22,851)
Minority interests		-	-	-	-
		<u>(3,535)</u>	<u>(13,437)</u>	<u>(13,988)</u>	<u>(22,851)</u>
Earnings per share attributable					
to equity holders of the parent:					
Basic, for (loss) / profit for the period (sen)	B11	<u>(0.05)</u>	<u>(0.77)</u>	<u>(0.42)</u>	<u>(1.44)</u>
Diluted, for (loss) / profit for the period (sen)	B11	<u>(0.05)</u>	<u>(0.76)</u>	<u>(0.42)</u>	<u>(1.37)</u>

PEGASUS HEIGHTS BERHAD (19727-P)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	Unaudited As at 31.12.2019 RM'000 (Unaudited)	Audited As at 31.12.2018 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A10	1,888	1,044
Investment property	A10	110,000	110,000
Deferred Expenses		1,208	-
Intangible Asset		386	-
		<u>113,482</u>	<u>111,044</u>
Current Assets			
Trade receivables		5,793	1,543
Other receivables		1,176	1,134
Inventories		17	6
Tax recoverable		6	2
Fixed deposits with licensed institution		13,546	255
Cash and bank balances		11,977	749
		<u>32,515</u>	<u>3,689</u>
TOTAL ASSETS		<u>145,997</u>	<u>114,733</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		164,302	130,114
Share Option Reserves		7,730	3,739
Warrants Reserve		20,868	-
Accumulated losses		(54,090)	(40,102)
Equity attributable to owners of the Company		<u>138,810</u>	<u>93,751</u>
Total Equity		<u>138,810</u>	<u>93,751</u>
Non-Current Liabilities			
Long-term borrowings	B8	-	9,904
Hire Purchase Payable		96	138
Deferred tax liabilities		3,502	3,502
		<u>3,598</u>	<u>13,544</u>
Current Liabilities			
Bank Overdraft	B8	1,073	2,916
Short-term borrowings	B8	-	998
Hire Purchase Payable	B8	100	77
Trade payables		120	39
Other payables		2,296	3,389
Income tax payable		-	19
		<u>3,589</u>	<u>7,438</u>
TOTAL LIABILITIES		<u>7,187</u>	<u>20,982</u>
TOTAL EQUITY AND LIABILITIES		<u>145,997</u>	<u>114,733</u>
Net assets per share (RM)		0.0193	0.0536

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

PEGASUS HEIGHTS BERHAD (19727-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2019

Note	<----- Attributable to Equity Holders of the Parent ----->				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	SIS Options Reserve RM'000	Warrants Reserve RM'000	Distributable Accumulated Losses RM'000			
Balance as at 01.01.2019	130,114	3,739	-	(40,102)	93,751	-	93,751
Total comprehensive (loss) for the financial period	-	-	-	(13,988)	(13,988)	-	(13,988)
<u>Transaction with owners:</u>							
Esos Exercised	1,085	-	-	-	1,085	-	1,085
SIS Reserve	745	(745)	-	-	-	-	-
Vested of ESOS	-	4,736	-	-	4,736	-	4,736
Warrants Reserve	(20,868)	-	20,868	-	-	-	-
Rights Issue Expenses	(744)	-	-	-	(744)	-	(744)
Rights Issue	53,970	-	-	-	53,970	-	53,970
Total transaction with owners	34,188	3,991	20,868	-	59,047	-	59,047
Balance as at 31.12.2019	164,302	7,730	20,868	(54,090)	138,810	-	138,810
Balance as at 01.01.2018	89,789	273	-	(17,370)	72,692	(9)	72,683
Total comprehensive income for the financial period	-	-	-	(22,851)	(22,851)	9	(22,842)
<u>Transaction with owners:</u>							
Debt and Creditors Capitalisation	27,619	-	-	-	27,619	-	27,619
Private Placement	12,706	-	-	-	12,706	-	12,706
SIS Lapsed	-	(127)	-	119	(8)	-	(8)
Vested of ESOS	-	3,593	-	-	3,593	-	3,593
Total transaction with owners	40,325	3,466	-	119	43,910	-	43,910
Balance as at 31.12.2018	130,114	3,739	-	(40,102)	93,751	-	93,751

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

PEGASUS HEIGHTS BERHAD (19727-P)
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2019

	Period Ended 31.12.2019 RM'000	Period Ended 31.12.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(13,968)	(21,571)
Adjustments for:		
Depreciation	226	184
Impairment loss/ (reversal) on trade receivables	110	141
Amortisation of Franchise License Fee & Deferred Expenses	301	-
Share Options to employees	4,736	3,585
Written off of other receivables	-	30
Interest expense	767	1,141
Interest income	(302)	(10)
Loss / (Gain) on Disposal Subsidiaries	-	(215)
Loss / (Gain) on Disposal PPE	5	42
Deposits Paid Written Off	-	70
Deposits Received Written Off	-	(50)
Property, plant and equipment Written Off	-	500
Reversal of other payables	-	(55)
Bad Debts Written Off	-	7
Fair value loss on investment property	-	10,000
Operating (loss) before working capital changes	<u>(8,125)</u>	<u>(6,201)</u>
(Increase) / Decrease in receivables	(4,402)	(232)
(Increase) / Decrease in Inventories	(11)	(6)
(Decrease) / Increase in payables	(1,012)	(1,387)
Cash (used in) / generated from operations	<u>(13,550)</u>	<u>(7,826)</u>
Tax paid	(43)	(8)
Interest paid	(767)	(1,141)
Net cash (used in) / generated from operating activities	<u>(14,360)</u>	<u>(8,975)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant, property and equipment	(1,280)	(853)
Purchase of License & Deferred Expenses	(1,895)	-
Proceeds from disposal of PPE	205	296
Net Cash Outflow from Disposal of Subsidiaries companies	-	(1)
Interest received	302	10
Net cash (used in) investing activities	<u>(2,668)</u>	<u>(548)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase	(79)	(346)
Drawdown of hire purchase	60	-
Increased in pledged deposits placed with licensed banks	(13,291)	(2)
Repayment of term loan	(10,902)	(1,440)
Repayment to former director	-	(1,503)
Proceeds from issuance of shares upon private placement	-	12,706
Proceeds from exercise ESOS	1,085	-
Proceeds from rights issue	53,970	-
Rights Issue Expenses	(744)	-
Net cash generated from financing activities	<u>30,099</u>	<u>9,415</u>
Net increase / (decrease) in cash and cash equivalents	13,071	(108)
Cash and cash equivalents as at 1 January	<u>(2,167)</u>	<u>(2,059)</u>
Cash and cash equivalents as at end of period	<u>10,904</u>	<u>(2,167)</u>
CASH AND CASH EQUIVALENTS COMPRISE: -		
Cash and bank balances	11,977	749
Bank overdraft	(1,073)	(2,916)
	<u>10,904</u>	<u>(2,167)</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention except for the financial assets and investment properties which were stated at fair values.

The interim financial statements were unaudited and have been prepared in accordance with requirements of the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that were significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2018.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2018.

As at the date of these interim financial statements, the following MFRS, Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

Amendment to References to the Conceptual Framework in MFRS Standards	
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101	Definition of Material
MFRS 17	Insurance Contracts
Amendment to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an investor and its Associate or Joint Venture

The Group and the Company intend to adopt the above MFRS when they become effective.

A3. COMPARATIVES

There were no changes to the comparatives during the current financial period.

A4. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the preceding financial statements for the year ended 31 December 2018 was not qualified by the Auditors of the Company.

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A5. SEGMENTAL INFORMATION

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 31 December 2019	Preceding Year Corresponding Quarter 31 December 2018	Current year to Date 31 December 2019	Preceding Year Corresponding Period 31 December 2018
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Property Management	1,766	1,521	6,584	4,234
Trading	5,965	802	8,304	6,855
Project Management Consultancy	-	-	-	150
Investment Holding and Others	99	-	310	-
Total including inter-segment sales	7,830	2,323	15,199	11,239
Eliminations of inter-segment sales	(261)	(227)	(959)	(1,060)
Total Revenue	7,569	2,096	14,240	10,179
(Loss) / Profit After Tax				
Segment results				
Property Management	(2,695)	(11,193)	(6,015)	(13,805)
Trading	16	-	(9)	49
Project Management Consultancy	-	(80)	-	(66)
Investment Holding and Others	(840)	(614)	(7,160)	(6,853)
	(3,519)	(11,887)	(13,184)	(20,675)
Finance Cost	(17)	(300)	(767)	(1,141)
Taxation	-	(1,272)	(20)	(1,280)
Eliminations	1	22	(17)	245
(Loss) After Tax	(3,535)	(13,437)	(13,988)	(22,851)

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A5. SEGMENTAL INFORMATION (Continued)

As at 31 December 2019	Property Management RM'000	Trading RM'000	Project Management Consultancy RM'000	Investment Holding and Others RM'000	Eliminations RM'000	Group RM'000
Total segment assets	116,149	5,466	-	168,834	(144,452)	145,997
Unallocated asset:						
- Deferred tax assets	-	-	-	-	-	-
Total assets	116,149	5,466	-	168,834	(144,452)	145,997
Total Segment liabilities	84,243	5,453	-	2,974	(90,254)	2,416
Unallocated liabilities:						
- Hire purchase	-	-	-	-	-	196
- Term loans	-	-	-	-	-	-
- Bank overdraft	-	-	-	-	-	1,073
- Deferred tax liabilities	-	-	-	-	-	3,502
- Current tax liabilities	-	-	-	-	-	-
Total liabilities	84,243	5,453	-	2,974	(90,254)	7,187
As at 31 December 2018	Property Management RM'000	Trading RM'000	Project Management Consultancy RM'000	Investment Holding and Others RM'000	Eliminations RM'000	Group RM'000
Total segment assets	113,428	334	846	112,048	(111,923)	114,733
Unallocated asset:						
- Deferred tax assets	-	-	-	-	-	-
Total assets	113,428	334	846	112,048	(111,923)	114,733
Total Segment liabilities	62,173	312	417	285	(59,741)	3,446
Unallocated liabilities:						
- Hire purchase	-	-	-	-	-	215
- Term loans	-	-	-	-	-	10,902
- Bank overdraft	-	-	-	-	-	2,917
- Deferred tax liabilities	-	-	-	-	-	3,502
- Current tax liabilities	-	-	-	-	-	-
Total liabilities	62,173	312	417	285	(59,741)	20,982

A6. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 December 2019.

A7. CHANGES IN ESTIMATES

There was no change in estimates that had a material effect on the current quarter results.

A8. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any seasonal or cyclical factors during the quarter under review.

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A9. DIVIDENDS PAID

No interim dividend has been paid in the current financial period ended 31 December 2019 (31 December 2018: Nil).

A10. CARRYING AMOUNT OF REVALUED ASSETS

There were no other changes in carrying amount of revalued asset during the current financial quarter.

A11. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debts and equity securities for the current quarter ended 31 December 2019.

A12. CHANGES IN COMPOSITION OF THE GROUP

There were no other changes in the composition of the Group during the current financial quarter.

A13. DISCONTINUED OPERATION

There were no existing business segments that can be categorised as discontinued in the current financial period.

A14. CAPITAL COMMITMENTS

There were no material changes in capital commitments since the previous quarter.

A15. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material changes in contingent liabilities or contingent assets since the previous quarter.

A16. SUBSEQUENT EVENTS

There were no material events subsequent to the end of the reporting quarter that have not been reflected in the quarter under review.

A17. RELATED PARTY TRANSACTIONS

There was no related party transaction during the financial quarter ended 31 December 2019.

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. PERFORMANCE REVIEW

	Individual Quarter		Changes (%)	Cumulative Period		Changes (%)
	31.12.19 RM'000	31.12.18 RM'000		31.12.19 RM'000	31.12.18 RM'000	
Revenue	7,569	2,096	261.1	14,240	10,179	39.9
(Loss) before interest and tax (LBIT)	(3,552)	(12,465)	(71.5)	(14,735)	(22,712)	(35.1)
(Loss) before tax (LBT)	(3,535)	(12,165)	(70.9)	(13,968)	(21,571)	(35.2)
(Loss) after tax (LAT)	(3,535)	(13,437)	(73.7)	(13,988)	(22,851)	(38.8)
(Loss) attributable to ordinary equity holders of the parent	(3,535)	(13,437)	(73.7)	(13,988)	(22,851)	(38.8)

Review of results for the current quarter

For the 4th quarter ended 31 December 2019, the Group registered a revenue of RM7.60 million, LBIT of RM3.55 million and LBT of RM3.54 million as compared to a revenue of RM2.10 million, LBIT of RM12.50 million and LBT of RM12.17 million in the preceding year's corresponding quarter.

Commentary on revenue

The Group recorded higher revenue for the current quarter predominantly due to higher contribution from the trading business which increased 643.8% to RM5.97 million and the contribution from property management which also increased 16.1% to RM1.77 million. Overall, Group revenue increased 261.1% to RM7.57 million compared to the preceding year's corresponding quarter.

Commentary on LBIT/ LBT

The Group recorded a lower LBIT and LBT for the current quarter financial period compared to the preceding year's corresponding quarter due to the impairment loss on investment property which amounted to RM10.00 million in year 2018.

Stripping out the impairment in year 2018, the LBIT and LBT was higher for the current quarter, amounting to RM3.55 million and RM3.54 million respectively. The higher LBIT and LBT is due to major refurbishment and repair work undertaken in the mall coupled with more aggressive marketing and promotional events to promote our mall in Seremban. The total additional repair and maintenance, refurbishment and marketing cost was RM2.28 million compared to RM1.18 million in the previous year quarter.

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B1. PERFORMANCE REVIEW (CONT'D)

Review of results for the financial period ended 31 December 2019

The Group recorded a revenue of RM14.24 million, LBIT of RM14.74 million and LBT of RM13.97 million for the financial period ended 31 December 2019 as compared to a revenue of RM10.18 million, LBIT of RM22.71 million and LBT of RM21.57 million in the financial period ended 31 December 2018.

Commentary on revenue

The Group recorded higher revenue for the current quarter predominantly due to higher contribution from the trading business which increased 21.1% to RM8.30 million coupled with higher contribution from property management which increased 55.5% to RM6.58 million. Overall, Group revenue increased 39.9% to RM14.24 million compared to the preceding year. The higher contribution from the property management business was achieved as occupancy of Centerpoint Seremban improved 10.1% to 75.4% as at the end of 2019, compared to the end of last year which was 65.3%.

Commentary on LBIT/ LBT

Stripping out the SIS Charge and impairment loss, the LBIT and LBT was higher for the financial period ended 31 December 2019, amounting to RM10.00 million and RM9.23million respectively compared to the LBIT and LBT for the financial period ended 31 December 2018, amounting to RM9.13 million and RM7.99 million respectively. This is due to higher repair and maintenance, refurbishment and marketing cost which amounted to RM5.20 million compared to last year which amounted to RM3.06 million.

B2. COMMENTS ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION FOR THE CURRENT QUARTER COMPARED TO THE PRECEDING QUARTER

	Current quarter 31.12.19 RM'000	Preceding quarter 30.09.19 RM'000	Changes (%)
Revenue	7,569	2,600	191.1
(Loss) before interest and tax (LBIT)	(3,552)	(7,900)	(55.0)
(Loss) before tax (LBT)	(3,535)	(8,122)	(56.5)
(Loss) after tax (LAT)	(3,535)	(8,142)	(56.6)
(Loss) attributable to ordinary equity holders of the parent	(3,535)	(8,142)	(56.6)

The Group recorded an increase of 191.1% in revenue to RM7.57 million for the current quarter compared to RM2.60 million in the immediate preceding quarter ended 30 September 2019.

The Group recorded LBT of RM3.54 million for the current quarter as compared to LBT of RM8.12 million in the immediate preceding quarter ended 30 September 2019. The lower LBT was caused by the SIS granted by the Company in last quarter which amounted to RM4.74 million. Stripping out the SIS charge, LBT was higher at RM3.54 million. The higher LBT was mainly due to the repair and maintenance, refurbishment and marketing cost as mentioned in B1.

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B3. COMMENTARY ON PROSPECTS

The Group remains focused on optimizing and realizing the full value of Centerpoint Seremban Mall. The performance improvement has centered upon increasing footfall and thus higher occupancy rates and rental yields. Occupancy rates continue to improve with the mall achieving 75.4% occupancy at the end of 2019. We are continuing our efforts to increase occupancy and have secured the Eco Shop which commenced their business in 3 Jan 2020. Occupancy rate as at the end of Jan 2020 was 81.0%.

In the F&B segment, the Group has commenced the second franchise restaurant – AYAMAS in the first quarter 2020. The business is generating a positive income to the Group. The third restaurant is also expected to operate in February 2020. In the meanwhile, the Group has secured the fourth franchisee/licensee agreements and is expected to commence business in the second quarter of 2020

This complementary strategy will not only enhance the overall attractiveness of the mall, but also increase rental yields.

With the completion of the proposed acquisition of the business of ChinPakLoong Architect as outlined in B6, we expect the PMC division to be profitable. The acquisition has a minimum profit guarantee of RM2.00 million per year for the next two years. This profit is secured and is backed by shares issued to the vendor.

This acquisition allows the Group to have an experienced and skilled team to lead our PMC division. The addition of professional architectural and interior design services; such as consultancy, advisory and other ancillary services relating to design and fit out under the PMC division is expected to contribute positively to the Group. Going forward, the Group expects this segment to be one of the growth drivers.

B4. PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

B5. INCOME TAX EXPENSE

	Individual quarter ended		Cumulative quarter ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Provision for current year tax	-	-	-	-
Under provision tax in prior year	-	(21)	(20)	(29)
Deferred taxation	-	(1,251)	-	(1,251)
	-	(1,272)	(20)	(1,280)

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B6. CORPORATE PROPOSALS

On 31 October 2019, the Group announced the proposal to undertake the following;

- i. Proposed acquisition of the business of ChinPakLoong Architect (CPLA) from Chin Pak Loong for a purchase consideration of RM16.0 million; and
- ii. Proposed diversification into architectural business.

On 1 November 2019, the Group announced that an application to Bursa Securities for the listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities has been submitted.

On 19 December 2019, the Group announced that Bursa Securities had, vide its letter dated 18 December 2019, resolved to approve the listing of 2,807,017,543 Consideration Shares to be issued pursuant to the Proposed Acquisition subject to certain conditions.

On 26 December 2019, the Group issued the circular to the shareholders.

On 10 January 2020, the Group announced that the resolutions as set in the circular dated 26 December 2019 was duly passed by way of poll voting at the EGM of the Company held on 10 January 2020.

On 21 January 2020, the Group announced that the Acquisition had been completed in accordance with the terms and conditions of the business acquisition agreement. A total of 2,807,017,543 new shares were issued at the price of RM0.0057. The acquisition has a profit guarantee of RM2.0 million per year for the next 2 years.

CPLA's experience is in providing architectural and interior design consultancy spanning across various sub-sectors of the construction industry. These include the residential sub-sector, commercial sub-sector, as well as theme park industry.

A summary of the key financial information of CPLA for the past 3 FYEs 31 December 2016 to 31 December 2018 and 9-month financial period ended ("9M-FPE") 30 September 2018 and 30 September 2019 is set out as follow:

	FYE 31 December 2016 (RM'000)	FYE 31 December 2017 (RM'000)	FYE 31 December 2018 (RM'000)	9M-FPE 30 September 2018 (RM'000)	9M-FPE 30 September 2019 (RM'000)
Revenue	1,481	4,600	8,668	7,286	9,139
Gross profit	125	787	1,014	729	914
Net profit	37	445	842	255	685

Given the historical track record of CPLA and the potential project pipeline, the acquisition is expected to be positive to the Group.

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B7. STATUS OF UTILISATION OF PROCEEDS

The rights issue was completed subsequent to the listing of 5,396,975,598 new ordinary shares on the Main Market of Bursa Securities on 26 June 2019. Following of the completion of the Rights Issue, the utilization of the proceeds as at 31 December 2019 is shown below:

Utilisation Purposes	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Utilisation RM'000	Time frame for the utilisation (from the date of listing of the Placement shares)
F&B service business	12,200	894	11,306	within 24 months
Promotion, Upgrade and maintenance of Centerpoint Seremban	23,100	10,829	12,271	within 36 months
Repayment of bank borrowings	13,500	13,500	-	within 6 months
Working capital	4,383	4,383	-	within 24 months
Expenses in relation to the proposals ¹	787	787	-	within 1 months
Total	53,970	30,393	23,577	

B8. BORROWINGS

	As at 31.12.2019 RM'000
Short-term borrowings: -	
-Secured	1,173
-Unsecured	-
	<u>1,173</u>
Long-term borrowings: -	
-Secured	96
-Unsecured	-
	<u>96</u>
Total Borrowings	<u><u>1,269</u></u>
	As at 31.12.2019 RM'000
Bank overdraft	1,173
Hire Purchase	96
Total Borrowings	<u><u>1,269</u></u>

¹ The expenses in relation to the proposals are net off from the equity raised except for an amount of RM42,400 in relation to the diversification exercise. The total amount applied against equity amounted to RM744,002.57 for the financial period.

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B9. CHANGES IN MATERIAL LITIGATION

There was no material litigation for the current financial period under review.

B10. DIVIDENDS PAYABLE

No interim dividend has been declared for the financial period ended 31 December 2019 (31 December 2018: Nil).

B11. EARNINGS PER SHARE

(a) Basic EPS

	Individual quarter ended		Cumulative quarter ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(3,535)	(13,437)	(13,988)	(22,851)
Weighted average number of Ordinary Shares in issue ('000)	7,195,967	1,748,992	3,367,974	1,590,186
Basic (loss)/earnings per share (sen)	(0.05)	(0.77)	(0.42)	(1.44)

(b) Diluted EPS

	Individual quarter ended		Cumulative quarter ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(3,535)	(13,437)	(13,988)	(22,851)
Weighted average number of Ordinary Shares in issue ('000)	7,195,967	1,765,652	3,367,974	1,671,185
Diluted (loss)/earnings per share (sen)	(0.05)	(0.76)	(0.42)	(1.37)

B12. DERIVATIVE FINANCIAL INSTRUMENTS

(a) Disclosure of derivative financial instruments

As at 31 December 2019, the Group does not hold any derivative financial instruments.

(b) Disclosure of gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities reported by the Group during the financial period under review.

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B13. DISCLOSURE OF ADDITIONAL INFORMATION

Total comprehensive income for the period was derived after charging / (crediting) the following items:

	Cumulative quarter ended	
	31.12.2019	31.12.2018
	RM'000	RM'000
Interest income	(302)	(10)
Interest expenses	767	1,141
Impairment loss/ (reversal) on trade receivables	110	141
Depreciation	226	184
Amortisation of Franchise License Fee & Deffered Expenses	301	-
Share option to employees	4,736	3,585
Property, plant and equipment Written Off	-	500
Loss on disposal of PPE	5	42
Written off of other receivables	-	30
Loss / (Gain) on Disposal Subsidiaries	-	(215)
Deposits Paid Written Off	-	70
Deposits Received Written Off	-	(50)
Reversal of other payables	-	(55)
Bad Debts Written Off	-	7
Fair value loss on investment property	-	10,000

Saved as disclosed above and in the unaudited Condensed Consolidated Statements of Comprehensive Income, the other items under Appendix 9B, Part A(16) of the Listing Requirement of Bursa Malaysia Securities Berhad for the Main Market are not applicable.

By order of the Board
Dated this 14 February 2020