

PEGASUS HEIGHTS BERHAD

Company No.197401002677 (19727-P)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Note	Individual quarter ended		Cumulative quarter ended	
		31.12.20 RM'000	31.12.19 RM'000	31.12.20 RM'000	31.12.19 RM'000
Revenue	A5	13,176	7,569	62,366	14,240
Cost of sales		(11,135)	(7,493)	(57,682)	(13,432)
Gross profit		<u>2,041</u>	<u>76</u>	<u>4,684</u>	<u>808</u>
Other income		88	255	507	462
Administrative and other expenses		(2,745)	(3,757)	(11,664)	(9,643)
Share options to Employee		-	-	-	(4,736)
Finance cost		3	(19)	(139)	(769)
(Loss) before taxation	A5	<u>(613)</u>	<u>(3,445)</u>	<u>(6,612)</u>	<u>(13,878)</u>
Taxation	B5	(550)	(16)	(550)	(36)
(Loss) for the financial period		<u>(1,163)</u>	<u>(3,461)</u>	<u>(7,162)</u>	<u>(13,914)</u>
Other comprehensive income		-	-	-	-
Total comprehensive (loss) for the financial period		<u>(1,163)</u>	<u>(3,461)</u>	<u>(7,162)</u>	<u>(13,914)</u>
(Loss) attributable to:					
Equity holders of the parent		(1,163)	(3,461)	(7,162)	(13,914)
Minority interests		-	-	-	-
		<u>(1,163)</u>	<u>(3,461)</u>	<u>(7,162)</u>	<u>(13,914)</u>
Total comprehensive income / (loss) attributable to:					
Equity holders of the parent		(1,163)	(3,461)	(7,162)	(13,914)
Minority interests		-	-	-	-
		<u>(1,163)</u>	<u>(3,461)</u>	<u>(7,162)</u>	<u>(13,914)</u>
Earnings per share attributable to equity holders of the parent:					
Basic, for (loss) for the period (sen)	B11	<u>(0.01)</u>	<u>(0.05)</u>	<u>(0.07)</u>	<u>(0.30)</u>
Diluted, for (loss) for the period (sen)	B11	<u>(0.01)</u>	<u>(0.05)</u>	<u>(0.06)</u>	<u>(0.28)</u>

PEGASUS HEIGHTS BERHAD
Company No.197401002677 (19727-P)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	Unaudited As at 31.12.20 RM'000 (Unaudited)	Audited As at 31.12.19 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	A10	2,305	1,546
Investment property	A10	110,000	110,000
Deferred Expenses		708	1,208
Intangible Asset		347	386
Deferred Tax Asset		2	2
Right of Use Asset		1,271	342
Other Investment		16,000	-
		<u>130,633</u>	<u>113,484</u>
Current Assets			
Trade receivables		10,766	5,794
Other receivables		6,224	1,176
Inventories		1,101	17
Tax recoverable		8	-
Fixed deposits with licensed institution		1,047	13,640
Cash and bank balances		10,165	11,977
		<u>29,311</u>	<u>32,604</u>
TOTAL ASSETS		<u>159,944</u>	<u>146,088</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		188,763	164,302
Share Option Reserves		6,865	7,730
Warrants Reserve		18,392	20,868
Accumulated losses		(61,178)	(54,016)
Equity attributable to owners of the Company		<u>152,842</u>	<u>138,884</u>
Total Equity		<u>152,842</u>	<u>138,884</u>
Non-Current Liabilities			
Lease Liability	B8	341	96
Deferred tax liabilities		3,502	3,502
		<u>3,843</u>	<u>3,598</u>
Current Liabilities			
Bank Overdraft	B8	8	1,072
Lease Liability	B8	375	100
Amount due to a Director		-	6
Trade payables		11	120
Other payables		2,616	2,295
Income tax payable		249	13
		<u>3,259</u>	<u>3,606</u>
TOTAL LIABILITIES		<u>7,102</u>	<u>7,204</u>
TOTAL EQUITY AND LIABILITIES		<u>159,944</u>	<u>146,088</u>
Net assets per share (RM)		0.0145	0.0193

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

PEGASUS HEIGHTS BERHAD

Company No.197401002677 (19727-P)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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 01.01.2020	164,302	7,730	20,868	(54,016)	138,884	-	138,884
Total comprehensive (loss) for the financial period	-	-	-	(7,162)	(7,162)	-	(7,162)
<u>Transaction with owners:</u>							
Acquisition with Share Issuance	16,000	-	-	-	16,000	-	16,000
SIS Reserve	864	(864)	-	-	-	-	-
SIS Lapsed	-	(1)	-	-	(1)	-	(1)
Proceed from SIS Exercise	851	-	-	-	851	-	851
Warrants Reserve	2,476	-	(2,476)	-	-	-	-
Proceed From Warrants Conversion	4,270	-	-	-	4,270	-	4,270
Total transaction with owners	24,461	(865)	(2,476)	-	21,120	-	21,120
Balance as at 31.12.20	188,763	6,865	18,392	(61,178)	152,842	-	152,842
Balance as at 01.01.2019	130,114	3,739	-	(40,102)	93,751	-	93,751
Total comprehensive (loss) for the financial period	-	-	-	(13,914)	(13,914)	-	(13,914)
<u>Transaction with owners:</u>							
SIS Exercised	1,085	-	-	-	1,085	-	1,085
SIS Reserve	745	(745)	-	-	-	-	-
Vested of SIS	-	4,736	-	-	4,736	-	4,736
Warrant Reserve	(20,868)	-	20,868	-	-	-	-
Right Issue Expenses	(744)	-	-	-	(744)	-	(744)
Right Issue	53,970	-	-	-	53,970	-	53,970
Total transaction with owners	34,188	3,991	20,868	-	59,047	-	59,047
Balance as at 31.12.19	164,302	7,730	20,868	(54,016)	138,884	-	138,884

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
 FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Period Ended 31.12.20 RM'000	Period Ended 31.12.19 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(6,612)	(13,878)
Adjustments for:		
Depreciation	544	159
Impairment loss/ (reversal) on trade receivables	385	111
Amortisation of Franchise License Fee & Deferred Expenses	539	301
Share Options to employees	-	4,736
Provision of Stock Written Down	1,128	-
Interest expense	139	769
Interest income	(481)	(396)
Amortisation of Right of Use Asset	425	67
Deposits Paid Written Off	-	36
Deposits Received Written Off	-	(24)
Reversal of other payables	-	(18)
Bad Debts Written Off	-	1
(Gain) / Loss On Disposal Motor Vehicles	(1)	6
Operating (loss) before working capital changes	<u>(3,934)</u>	<u>(8,130)</u>
(Increase) / Decrease in receivables	(10,405)	(4,381)
(Increase) / Decrease in Inventories	(2,212)	(11)
(Decrease) / Increase in payables	211	(1,025)
Cash (used in) / generated from operations	<u>(16,340)</u>	<u>(13,547)</u>
Tax paid	(322)	(42)
Interest paid	(139)	(769)
Net cash (used in) / generated from operating activities	<u>(16,801)</u>	<u>(14,358)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant, property and equipment	(1,303)	(1,161)
Additional right of use assets	(857)	(60)
Additional of deferred expenses	-	(1,500)
Proceed from disposal of Motor Vehicle	1	205
Interest received	481	396
Additional intangible assets	-	(395)
Net cash (used in) investing activities	<u>(1,678)</u>	<u>(2,515)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Finance Lease	(377)	(79)
Repayment of director	(6)	-
Withdrawal / (Deposit) of Fixed Deposit	12,593	(13,385)
Repayment of Term Loan	-	(10,902)
Advance from director	-	-
Drawdown of Finance Lease	400	-
Proceeds from exercise ESOS	851	1,085
Proceeds from warrant conversion	4,270	53,970
Rights Issue Expenses	-	(744)
Net cash generated from financing activities	<u>17,731</u>	<u>29,945</u>
Net increase / (decrease) in cash and cash equivalents	(748)	13,072
Cash and cash equivalents as at 1 January	10,905	(2,167)
Cash and cash equivalents as at end of period	10,157	10,905
CASH AND CASH EQUIVALENTS COMPRISE: -		
Cash and bank balances	10,165	11,977
Bank overdraft	(8)	(1,072)
	<u>10,157</u>	<u>10,905</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2019 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 2019. 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 2019.

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 2019.

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:

Amendments to MFRS 16	Covid-19 – Related Rent Concessions
MFRS 17	Insurance Contracts
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 3	Reference to Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRSs Standards 2018 – 2020	
• Amendments to MFRS 1	
• Amendments to MFRS 9	
• Amendments to MFRS 16	
• Amendments to MFRS 141	
Amendment to MFRS10 and MFRS 128	Sales of Contribution of Assets between an investor and its Associates of 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 2019 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 2020	Preceding Year Corresponding Quarter 31 December 2019	Current year to Date 31 December 2020	Preceding Year Corresponding Period 31 December 2019
	RM'000	RM'000	RM'000	RM'000
<u>Revenue</u>				
Property Management	787	1,766	5,662	6,584
Trading	9,598	5,965	48,586	8,305
Project Management Consultancy	2,621	-	7,526	-
Investment Holding and Others	302	99	1,387	310
Total revenue including inter-segment sales	13,308	7,830	63,161	15,199
Eliminations of inter-segment sales	(132)	(261)	(795)	(959)
Total Revenue	13,176	7,569	62,366	14,240
<u>Segment results</u>				
Property Management	(1,317)	(2,696)	(5,259)	(6,016)
Trading	(104)	16	(14)	(10)
Project Management Consultancy	1,611	-	2,472	-
Investment Holding and Others	(783)	(96,651)	(3,657)	(102,970)
Eliminations	(23)	95,905	(15)	95,887
Loss before interest and tax	(616)	(3,426)	(6,473)	(13,109)
Finance Cost	3	(19)	(139)	(769)
Taxation	(550)	(16)	(550)	(36)
Loss After Tax	(1,163)	(3,461)	(7,162)	(13,914)

As at 31 December 2020	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	114,746	9,653	6,496	92,414	(63,367)	159,942
Unallocated asset:						
- Deferred tax assets	-	-	-	2	-	2
Total assets	114,746	9,653	6,496	92,416	(63,367)	159,944
Total Segment liabilities	89,272	9,670	3,201	3,755	(103,271)	2,627
Unallocated liabilities:						
- Finance Lease Liability	181	-	478	1,099	(1,042)	716
- Term loans	-	-	-	-	-	-
- Bank overdraft	8	-	-	-	-	8
- Deferred tax liabilities	3,502	-	-	-	-	3,502
- Current tax liabilities	-	-	249	-	-	249
Total liabilities	92,963	9,670	3,928	4,854	(104,313)	7,102

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	116,148	5,462	226	72,819	(48,569)	146,086
Unallocated asset:						
- Deferred tax assets	-	-	-	2	-	2
Total assets	116,148	5,462	226	72,821	(48,569)	146,088
Total Segment liabilities	84,244	5,466	1,995	827	(90,098)	2,434
Unallocated liabilities:						
- Hire purchase	58	-	-	294	(156)	196
- Term loans	-	-	-	-	-	-
- Bank overdraft	1,072	-	-	-	-	1,072
- Deferred tax liabilities	3,502	-	-	-	-	3,502
- Current tax liabilities	-	-	-	-	-	-
Total liabilities	88,876	5,466	1,995	1,121	(90,254)	7,204

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 2020.

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.

A9. DIVIDENDS PAID

No interim dividend has been paid in the current financial period ended 31 December 2020. (31 December 2019: 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

In fourth quarter 2020, the Company issued an additional 42,500,000 new ordinary shares of RM0.01 each pursuant to the conversion of warrants.

Save for the above, there were no other issuance, cancellations, or repayments of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current financial quarter under review.

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

Significant related party transactions of the Group are as follow:

Transactions with company in which a Director of the company has substantial financial interest

	As at 31 Dec 2020 RM'000	As at 31 Dec 2019 RM'000
Rental of premises	169	131

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 (%)
	31.12.20 RM'000	31.12.19 RM'000		31.12.20 RM'000	31.12.19 RM'000	
Revenue	13,176	7,569	74.1	62,366	14,240	338.0
(Loss) before interest and tax (LBIT)	(616)	(3,426)	(82.0)	(6,473)	(13,109)	(50.6)
(Loss) before tax (LBT)	(613)	(3,445)	(82.2)	(6,612)	(13,878)	(52.4)
(Loss) after tax (LAT)	(1,163)	(3,461)	(66.4)	(7,162)	(13,914)	(48.5)
(Loss) attributable to ordinary equity holders of the parent	(1,163)	(3,461)	(66.4)	(7,162)	(13,914)	(48.5)

Review of results for the current quarter

For the 4th quarter ended 31 December 2020, the Group registered a revenue of RM13.18 million, LBIT of RM0.62 million and LBT of RM0.61 million as compared to a revenue of RM7.57 million, LBIT of RM3.43 million and LBT of RM3.45 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 60.9% to RM9.60 million and contribution from the PMC segment which amounted to RM 2.62 million. The major increase in revenue from the trading business mitigated the 55.4% drop in revenue from the property management segment due to mall closure caused by flood water arising from the overflowing river which is next to the mall. This happened in early November and caused the power transformer and switchboard room located in the basement carpark to be submerged by the flood water.

Overall, Group revenue increased 74.1% to RM13.18 million compared to the preceding year's corresponding quarter.

Commentary on LBIT/ LBT

The Group record a lower LBIT and LBT for the current quarter compared to the preceding year's corresponding quarter due to lower administrative expenses and higher revenue in the preceding year's corresponding quarter.

Review of results for the financial period ended 31 December 2020

The Group recorded a revenue of RM62.37 million, LBIT of RM6.47 million and LBT of RM6.61 million for the financial period ended 31 December 2020 as compared to a revenue of RM14.24 million, LBIT of RM13.11 million and LBT of RM13.88 million in the financial period ended 31 December 2019.

Commentary on revenue

The Group recorded higher revenue for the current quarter predominantly due to higher contribution from the trading business which increased over 5-fold to RM48.59 million and contribution from the PMC segment which amounted to RM7.53 million. Both segments helped offset the 14% drop in property management revenue.

Overall, the Group's revenue increased 338.0% to RM62.37 million compared to the preceding financial period.

Commentary on LBIT/LBT

Stripping out the SIS charge of RM 4.74 million in FY 2019, The Group continued to record a lower LBIT and LBT for the current financial period compared to the preceding financial period due to profit before interest and tax contribution from PMC segment which amounted to RM2.47 million.

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

	Current quarter 31.12.20 RM'000	Preceding quarter 30.09.20 RM'000	Changes (%)
Revenue	13,176	12,761	3.25
(Loss) before interest and tax (LBIT)	(616)	(2,397)	(74.3)
(Loss) before tax (LBT)	(613)	(2,447)	(74.9)
(Loss) after tax (LAT)	(1,163)	(2,447)	(52.5)
(Loss) attributable to ordinary equity holders of the parent	(1,163)	(2,447)	(52.5)

The Group recorded a marginal increase in revenue to RM13.18 million for the current quarter compared to RM12.76 million in the immediate preceding quarter ended 30 September 2020. This was mainly due to the increase of 71.3% in revenue from the PMC segment and 53.5% drop in property management revenue.

The Group recorded a lower LBT of RM0.61 million for the current quarter as compared to LBT of RM2.45 million in the immediate preceding quarter ended 30 September 2020. The lower LBT was due to higher profit contribution from the PMC segment which amounted to RM1.61 million.

B3. COMMENTARY ON PROSPECTS

The full effects from the Covid-19 pandemic which started in the first quarter of 2020 have yet to fully manifest. Whilst the group managed to navigate MCO 1.0, effects from MCO 2.0 are likely to have a deeper impact. Coupled with the impact from the flood which hit Centerpoint Seremban in November, the property management and F&B segments have borne the brunt of the impact to date.

The flooding arising from water overflowing the river next to the mall caused damage to the basement carpark and knocked out the entire power transformer and switchboard room. Hence, the mall was left without power. After discussions with the tenants, management decided to temporarily shut the mall for repair and rectification works. In addition, management decided to relocate the transformer and switchboard room from the basement to the ground floor to avoid any possible future damage arising from flood waters.

The entire exercise of rectifying the basement carpark, relocation of the power room and replacement of the transformers and switchboards took three and a half months. Centerpoint Seremban reopened on 20 February 2021. During this period, all rental was waived. Total damages include rectification and relocation works, replacement of the transformers and switchboards and loss of rental income. Currently, management is in discussions with the insurance company on the total amount claimable under the policy.

In addition to restoring the mall post the flooding, management used the downtime to upgrade and expand the road surrounding the mall to enhance traffic flow and increase parking lots for visitors in view of the reopening.

Prior to the mall closure, the impact from the pandemic and MCO 1.0 had caused several of our tenants to close their operation. This has reduced the mall's tenancy rate to 78.17% from 79.03%. In spite of this, management took the opportunity to refresh and enhance the tenant mix by securing The Coffee Bean & Tea Leaf. They are expected to open their store in the second quarter of 2021. However, management remains cautious as the full impact from the pandemic has yet to surface.

Our F&B segment has been affected by the twin effects of the pandemic and mall closure arising from the flooding. Notwithstanding these setbacks, we are continuing our efforts in increasing our home and office food delivery service in view of the reopening of the mall and to cater to the new 'social norm' post pandemic.

We have delayed the opening of our fifth franchise restaurant – a hotpot restaurant – until the economic condition of the country improves and dine-in restrictions post pandemic are further relaxed.

The trading business has continued to grow amidst the challenging economic environment. We remain cautiously optimistic as we continue to expand our customer base.

The PMC segment has turned around after the acquisition of the business of CPL. Management remains focused in building up the project pipeline in 2021 and is confident that CPL will be able to achieve the profit guarantee provided for CPL.

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	
	31.12.20	31.12.19	31.12.20	31.12.19
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Provision for current year tax	(550)	(18)	(550)	(18)
Under provision tax in prior year	-	-	-	(20)
Deferred taxation	-	2	-	2
	<u>(550)</u>	<u>(16)</u>	<u>(550)</u>	<u>(36)</u>

B6. CORPORATE PROPOSALS

On 18 December 2020, UOB Kay Hian Securities (M) Sdn. Bhd. (“UOB”) on behalf of the Board of Directors of the Company announced that the Company proposes to undertake a private placement of up to 20% of the total number of issued shares of the Company to third party investor(s) to be identified later at an issue price to be determined later in accordance with the general mandate pursuant to Section 75 and 76 of the Companies Act 2016 (“Proposed Private Placement”).

On 8 January 2021, the Company submitted an application to Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing application pursuant to the Proposed Private Placement.

On 15 January 2021, UOB on behalf of the Board of Directors of the Company announced that Bursa Securities had, vide its letter dated 15 January 2021, resolved to approve the listing of and quotation for up to 2,920,808,528 new Company Shares to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Securities subject to certain conditions.

Save for the above, there is no corporate proposal announced but not completed as at the date of this report.

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 2020 is shown below:

Utilisation Purposes	Proposed Utilisation RM'000	Variation for 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	(9,500)	2,700	-	within 24 months
Promotion, Upgrade and maintenance of Centerpoint Seremban	23,100	(3,500)	19,600	-	within 36 months
Repayment of bank borrowings	13,500	2,500	16,000	-	within 6 months
Working capital	4,383	10,500	14,883	-	within 24 months
Expenses in relation to the proposals ¹	787	-	787	-	within 1 months
Total	53,970	-	53,970	-	

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.

B8. BORROWINGS

	As at 31.12.2020 RM'000
Short-term borrowings: -	
-Secured	383
-Unsecured	-
	<u>8</u>
Long-term borrowings: -	
-Secured	341
-Unsecured	-
	<u>716</u>
Total Borrowings	<u><u>724</u></u>
	As at 31.12.2020 RM'000
Bank overdraft	8
Lease Liability	716
Total Borrowings	<u><u>724</u></u>

B9. CHANGES IN MATERIAL LITIGATION

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

B10. EARNINGS PER SHARE

(a) Basic EPS

	Individual quarter ended		Cumulative quarter ended	
	31.12.20	31.12.19	31.12.20	31.12.19
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(1,163)	(3,461)	(7,162)	(13,914)
Weighted average number of Ordinary Shares in issue ('000)	10,579,583	7,195,967	10,020,527	4,589,892
Basic (loss)/earnings per share (sen)	(0.01)	(0.05)	(0.07)	(0.30)

(b) Diluted EPS

	Individual quarter ended		Cumulative quarter ended	
	31.12.20	31.12.19	31.12.20	31.12.19
(Loss)/Profit attributable to ordinary equity holders of the parent (RM'000)	(1,163)	(3,461)	(7,162)	(13,914)
Weighted average number of Ordinary Shares in issue ('000)	13,092,033	7,376,527	11,919,637	5,000,809
Diluted (loss)/earnings per share (sen)	(0.01)	(0.05)	(0.06)	(0.28)

B11. DERIVATIVE FINANCIAL INSTRUMENTS

(a) Disclosure of derivative financial instruments

As at 31 December 2020, 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.

B12. DISCLOSURE OF ADDITIONAL INFORMATION

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

	Cumulative quarter ended	
	31.12.2020	31.12.19
	RM'000	RM'000
Interest income	(481)	(396)
Interest expenses	139	769
Impairment loss/ (reversal) on trade receivables	385	111
Provision of Stock Written Down	1,128	-
Depreciation	544	159
Amortization of Franchise License Fee & Deferred Expenses	539	301
Amortization of Right of Use Asset	425	67
Share option to employees	-	4,736
Deposit paid written off		36
Deposit received written off		(24)
Reversal of other payables		(18)
Bad Debts written off		1
(Gain) / Loss on disposal of Motor Vehicle	(1)	6

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 19 March 2021