



HCK CAPITAL GROUP BERHAD
(484964-H)

Interim Financial Statement
For the Financial Year Ended 31 December 2020

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 31 December 2020**

	Note	Current Quarter		Cumulative Quarter	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019
		RM '000	RM '000	RM '000	RM '000
Revenue		32,947	45,001	91,876	90,367
Cost of sales		(30,226)	(29,588)	(62,924)	(51,790)
Gross Profit		2,721	15,413	28,952	38,577
Other operating income		4,578	139	4,936	364
Administrative and general expenses		(6,287)	(5,513)	(17,803)	(17,065)
Sales and marketing expenses		(1,170)	(1,837)	(3,246)	(3,262)
(Loss)/Profit from operations		(158)	8,202	12,839	18,614
Interest income		6	3	143	175
Interest expense		(188)	(2,172)	(6,823)	(6,813)
Share of results in associates, net of tax		220	-	341	-
(Loss)/Profit before taxation	B13	(120)	6,033	6,500	11,976
Tax expense	B6	135	(4,349)	(2,122)	(5,242)
Profit after taxation		15	1,684	4,378	6,734
Attributable to:					
Owners of the parent		264	1,982	4,112	6,906
Non-controlling interests		(249)	(298)	266	(172)
		15	1,684	4,378	6,734
Earning per share (Sen)					
- Basic		0.06	0.47	0.97	1.64
- Diluted		0.06	0.42	0.88	1.47

The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 31 December 2020**

	<u>Current Quarter</u>		<u>Cumulative Quarter</u>	
	<u>31.12.2020</u>	<u>31.12.2019</u>	<u>31.12.2020</u>	<u>31.12.2019</u>
	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>	<u>RM '000</u>
Profit after taxation for the period	15	1,684	4,378	6,734
Other comprehensive income				
Item that may not be subsequently reclassified to profit or loss	-	-	-	-
Total comprehensive income	<u>15</u>	<u>1,684</u>	<u>4,378</u>	<u>6,734</u>
Total comprehensive income attributable to:				
Owners of the parent	264	1,982	4,112	6,906
Non-controlling interests	(249)	(298)	266	(172)
	<u>15</u>	<u>1,684</u>	<u>4,378</u>	<u>6,734</u>

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

Unaudited Condensed Consolidated Statements of Financial Position**As at 31 December 2020**

	AS AT 31.12.2020 RM' 000 Unaudited	AS AT 31.12.2019 RM' 000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	407	436
Land held for property development	129,884	129,399
Investment property	-	55,000
Investment in associates	7,241	-
Goodwill	4,470	4,470
Intangible assets	559	620
Right of use asset	39,042	41,089
Deferred tax assets	1,220	-
	<u>182,823</u>	<u>231,014</u>
Current assets		
Inventories	293,277	220,483
Property development costs	110,389	62,598
Contract costs	9,290	9,294
Trade and other receivables	123,096	55,692
Contract assets	34,857	25,333
Current tax assets	356	-
Short term fund	5	5
Fixed deposit with a licensed bank	4,322	4,193
Cash and bank balances	6,325	5,664
	<u>581,917</u>	<u>383,262</u>
TOTAL ASSETS	<u>764,740</u>	<u>614,276</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	156,325	155,931
Warrants reserve	10,419	10,437
Share option reserve	85	85
Retained earnings	45,665	41,554
	<u>212,494</u>	<u>208,007</u>
Non-controlling interests	999	6,855
Total equity	<u>213,493</u>	<u>214,862</u>
Non-current liabilities		
Deferred tax liabilities	3,377	6,777
Trade and other payables	36,983	24,953
Long term borrowings	B8 270,132	198,924
	<u>310,492</u>	<u>230,654</u>
Current liabilities		
Trade and other payables	153,676	116,006
Contract liabilities	51,936	20,053
Current tax liabilities	760	1,919
Short term borrowings	B8 34,383	30,782
	<u>240,755</u>	<u>168,760</u>
Total liabilities	<u>551,247</u>	<u>399,414</u>
TOTAL EQUITY AND LIABILITIES	<u>764,740</u>	<u>614,276</u>
Net assets per share attributable to owners of the parent (RM)	<u>0.50</u>	<u>0.49</u>

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

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidation Statements of Changes in Equity
For the Financial Year Ended 31 December 2020**

	← Attributable to Owners of the Parent →								
	Non-Distributable					Distributable		Non- Controlling Interests	Total Equity
	Share Capital	Share Premium	Share Option Reserve	Translation Reserve	Warrants Reserve	Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
As at 1 January 2019	84,437	68,889	-	-	10,519	34,703	198,548	6,725	205,273
Contributions by and distributions to owners of the Company:									
- Conversions of warrants	1,575	-	-	-	-	-	1,575	-	1,575
- Employees' share options granted	-	-	85	-	-	-	85	-	85
- Share Grant Scheme exercised	948	-	-	-	-	-	948	-	948
Transfer from share premium in accordance with Section 618 (2) of the Companies Act 2016	68,889	(68,889)	-	-	-	-	-	-	-
Disposal of the subsidiaries	-	-	-	-	-	-	-	301	301
	71,412	(68,889)	85	-	-	-	2,608	301	2,909
Transfer of share capital upon conversion of warrant	82	-	-	-	(82)	-	-	-	-
Total comprehensive income	-	-	-	-	-	6,851	6,851	(171)	6,680
As at 31 December 2019	155,931	-	85	-	10,437	41,554	208,007	6,855	214,862
As at 1 January 2020	155,931	-	85	-	10,437	41,554	208,007	6,855	214,862
Conversion of warrants	360	-	-	-	-	-	360	-	360
Share Grant Scheme exercised	16	-	-	-	-	-	16	-	16
Share issued by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	1,512	1,512
Disposal of the subsidiaries	-	-	-	-	-	-	-	(7,634)	(7,634)
Transfer to share capital upon conversion of warrant	18	-	-	-	(18)	-	-	-	-
Translation reserve	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	4,112	4,112	266	4,378
As at 31 December 2020	156,325	-	85	-	10,419	45,666	212,495	999	213,494

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

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

**Unaudited Condensed Consolidated Statement of Cash Flow
For the Financial Year Ended 31 December 2020**

	Cumulative Quarter	
	31.12.2020	31.12.2019
	RM' 000	RM' 000
Profit before taxation	6,500	11,976
<u>Adjustments for :</u>		
Non-cash items	2,345	4,619
Non-operating items	6,679	6,638
Total adjustments	9,024	11,257
Operating cash flow before changes in working capital	15,524	23,233
<u>Changes in working capital</u>		
Changes in inventories	(72,795)	7,670
Changes in project development costs	(47,791)	(113,539)
Changes in contract costs	4	-
Changes in contract assets/(liabilities)	22,359	-
Changes in trade and other receivables	(36,175)	(63,681)
Changes in amount owing to directors	-	7,812
Changes in trade and other payables	54,181	88,338
Total changes in working capital	(80,217)	(73,400)
Cash flow used in operations	(64,693)	(50,167)
Tax paid	(4,759)	(121)
Net cash flows used in operating activities	(69,452)	(50,288)
<u>Investing activities</u>		
Interest received	144	175
Addition to property, plant and equipment	(44)	(2,719)
Addition in land held for development	(485)	-
Addition intangible assets	-	(147)
Proceeds from disposal of property, plant & equipment	-	22
Disposal of a subsidiary, net of cash and cash equivalents disposed of	1,793	-
Placement of short-term deposit pledged to a licensed bank	(129)	(129)
Net cash flows from/(used in) investing activities	1,279	(2,798)

HCK CAPITAL GROUP BERHAD

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Unaudited Condensed Consolidated Statement of Cash Flow (Cont'd)**For the Financial Year Ended 31 December 2020**

	Cumulative Quarter	
	31.12.2020	31.12.2019
	RM' 000	RM' 000
<u>Financing activities</u>		
Proceeds from issuance of ordinary shares:-		
- pursuant to conversion of warrant	375	1,574
Net drawdown/(repayment) of bank borrowings	76,570	62,797
Repayment of lease liabilities	(1,288)	(2,138)
Repayment of hire purchases	-	-
Interest Paid	(6,823)	(6,813)
Net cash flows from financing activities	68,834	55,420
Net increase in cash and cash equivalents	661	2,334
Cash and cash equivalents at beginning of year	4,069	3,373
	4,730	5,707
<u>Composition of cash and cash equivalents:</u>		
Short term fund	5	5
Cash and bank balances	6,325	5,702
Less: Bank balances held in escrow	(1,600)	-
Cash and cash equivalents at end of period	4,730	5,707

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

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

The unaudited interim financial report has been prepared in accordance with the reporting requirement as set out in Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached herein for a better understanding of changes in financial position and performance of the Group.

The significant accounting policies adopted in the preparation the unaudited interim financial report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2019 except for the adoption of the following new MFRSs, amendments to MFRSs and IC Interpretations that are effective from 1 January 2020, as disclosed below:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)
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Amendments to MFRS 3: Definition of a Business
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform
Amendment to MFRS 101 and MFRS 108: Definition of Material
Amendment to References to the Conceptual Framework in MFRS Standards

As at the date of authorisation of the unaudited interim financial report, the following Standards were issued but not yet effective and have not been adopted by the Group:

MFRSs, Amendments to MFRSs and IC Interpretations	Effective for financial periods beginning on or
MFRS 17 Insurance Contracts	01 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	01 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2	01 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation (Cont'd)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have significant impact to the financial statements of the Group.

A2. Valuation of Property, Plant and Equipment and Investment Properties

There were no changes in the valuation on property, plant and equipment and investment properties during the current financial period under review.

A3. Seasonal or Cyclical Factors

The Group's performance is not materially affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

A5. Changes in Estimates

There were no changes in estimates that have had any material effect on the result for the current financial quarter and financial period under review.

A6. Debt and Equity Securities

Save for the following, there were no issuances, repurchases and repayments of debt and equity securities during the current financial quarter and financial period under review:

- (a) Issuance of 21,300 new ordinary shares from the exercise of Warrants as the exercise price of RM0.96 per warrant amounting to RM20,448.

A7. Dividend Paid

No dividend was paid during the current financial quarter and previous corresponding financial quarter.

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UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. Segmental Information**

	Properties RM'000	Others RM'000	Total RM'000
Results for 3 months ended 31 December 2020			
<u>Revenue</u>			
External	32,353	594	32,947
Inter-segment	26,330	576	26,906
	<u>58,683</u>	<u>1,170</u>	<u>59,853</u>
Consolidated adjustments and elimination			(26,906)
Consolidated revenue			<u>32,947</u>
<u>Results</u>			
Results before the following adjustments	172	(322)	(150)
Consolidated adjustments and elimination	769	(10)	759
Amortisation of intangible asset	-	(35)	(35)
Depreciation of property and equipment	(22)	(15)	(37)
Depreciation of right of use assets	(609)	(86)	(695)
Segment results	<u>310</u>	<u>(468)</u>	<u>(158)</u>
Interest income			6
Interest expense			(188)
Share of results in associates			220
Tax Expense			135
Consolidated profit after taxation			<u>15</u>
Results for 3 months ended 31 December 2019			
<u>Revenue</u>			
External	44,418	583	45,001
Inter-segment	10,658	2,191	12,849
	<u>55,076</u>	<u>2,774</u>	<u>57,850</u>
Consolidated adjustments and elimination			(12,849)
Consolidated revenue			<u>45,001</u>
<u>Results</u>			
Results before the following adjustments	14,273	156	14,429
Consolidated adjustments and elimination	(4,705)	(128)	(4,833)
Amortisation of intangible asset	-	(13)	(13)
Depreciation of property and equipment	(472)	(326)	(798)
Direct operating expenses on investment properties	(583)	-	(583)
Segment results	<u>8,513</u>	<u>(311)</u>	<u>8,202</u>
Interest income			3
Interest expense			(2,172)
Tax expense			(4,349)
Consolidated profit after taxation			<u>1,684</u>

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UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. Segmental Information (Cont'd)**

	Properties RM'000	Others RM'000	Total RM'000
Results for 12 months ended 31 December 2020			
<u>Revenue</u>			
External	89,792	2,084	91,876
Inter-segment	45,120	2,095	47,215
	<u>134,912</u>	<u>4,179</u>	<u>139,091</u>
Consolidated adjustments and elimination			(47,215)
Consolidated revenue			<u>91,876</u>
<u>Results</u>			
Results before the following adjustments	19,487	1,094	20,581
Consolidated adjustments and elimination	(2,111)	(2,427)	(4,538)
Amortisation of intangible asset	-	(61)	(61)
Depreciation of property and equipment	(82)	(94)	(176)
Direct operating expenses on investment properties	(859)	-	(859)
Depreciation of right of use assets	(1,285)	(430)	(1,715)
Loss on disposal of subsidiary	(393)	-	(393)
Segment results	<u>14,757</u>	<u>(1,918)</u>	<u>12,839</u>
Interest income			143
Interest expense			(6,823)
Share of results in associates			341
Tax expense			(2,122)
Consolidated profit after taxation			<u>4,378</u>
	Properties RM'000	Others RM'000	Total RM'000
Results for 12 months ended 31 December 2019			
<u>Revenue</u>			
External	88,230	2,137	90,367
Inter-segment	18,458	5,187	23,645
	<u>106,688</u>	<u>7,324</u>	<u>114,012</u>
Consolidated adjustments and elimination			(23,645)
Consolidated revenue			<u>90,367</u>
<u>Results</u>			
Results before the following adjustments	28,996	(440)	28,556
Consolidated adjustments and elimination	(5,645)	(327)	(5,972)
Amortisation of intangible asset	-	(51)	(51)
Depreciation of equipment	(993)	(589)	(1,582)
Direct operating expenses on investment properties	(2,337)	-	(2,337)
Segment results	<u>20,021</u>	<u>(1,407)</u>	<u>18,614</u>
Interest income			175
Interest expense			(6,813)
Tax expense			(5,242)
Consolidated profit after taxation			<u>6,734</u>

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UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONT'D)****A8. Segmental Information (Cont'd)**

	Properties RM'000	Others RM'000	Total RM'000
Segment assets and liabilities as at 31 December 2020			
<u>Assets</u>			
Segment assets	733,983	30,401	764,384
Tax recoverable	352	4	356
Consolidated total assets	<u>734,335</u>	<u>30,405</u>	<u>764,740</u>
<u>Liabilities</u>			
Segment liabilities	523,147	23,963	547,110
Tax liabilities	4,048	89	4,137
Consolidated total liabilities	<u>527,195</u>	<u>24,052</u>	<u>551,247</u>
Segment assets and liabilities as at 31 December 2019			
<u>Assets</u>			
Segment assets	604,636	8,426	613,062
Tax recoverable	-	4	4
Consolidated total assets	<u>604,636</u>	<u>8,430</u>	<u>613,066</u>
<u>Liabilities</u>			
Segment liabilities	385,690	3,738	389,428
Deferred tax liabilities	8,695	-	8,695
Consolidated total liabilities	<u>394,385</u>	<u>3,738</u>	<u>398,123</u>

A9. Material Events Subsequent to The End of Interim Period

There are no material subsequent events that have not been reflected in the financial statements for the financial period ended 31 December 2020.

A10. Changes in Composition of the Group

There were no other changes in the composition of the Group during the current quarter ended 31 December 2020.

A11. Changes in Contingent Assets and Contingent Liabilities

There were no other changes in contingent assets and contingent liabilities since the end of previous financial year.

A12. Capital Commitments

There is no capital commitments provided for to the end of the financial period.

A13. Related Party Transactions

	Current Quarter		Cumulative Quarter	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM'000	RM'000	RM'000	RM'000
Rental income from a non-controlling interest	-	1,103	1,691	3,120

HCK CAPITAL GROUP BERHAD

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**QUARTER ENDED 31 DECEMBER 2020****UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B1. Review of performance****Current Quarter ended 31 December 2020**

For the current quarter under review, the Group recorded a revenue of RM32.95 million, which is RM12.05 million lower than the previous corresponding financial quarter, mainly due to decreased project billings and project management fees.

The current quarter's Loss Before Tax ("LBT") of RM0.12 million, whereas compared to Profit Before Tax ("PBT") of RM6.03 million in the previous corresponding quarter, is due to lower revenue mainly affected by the effects of the Covid-19 pandemic.

B2. Comment on financial results (current quarter compared with the preceding quarter)

	Current Quarter 31/12/2020 RM'000	Immediate Preceding Quarter 30/09/2020 RM'000
Revenue	32,947	27,195
(Loss)/Profit Before Taxation ("LBT)/PBT")	(120)	2,231

The Group recorded a higher revenue of RM32.95 million (as compared to RM27.19 million in the immediate preceding quarter) due to higher income recognition in the current quarter. However, the Group reported loss before taxation ("LBT") of RM0.12 million mainly due to a drop in gross profit to RM2.72 million arising from additional costs incurred in the current period.

B3. Future Prospects

The Malaysian property market is still to a large extent being affected by the financial institutions' stricter lending requirements and tightening of domestic liquidity. The conditional movement control order (CMCO) has also affected the Group's property sales and project management income. The Board is however cautiously optimistic about the coming quarters given the market's growing confidence in the HCK brand.

The Group is currently working on new launches which will be expected to be executed in the coming quarters.

B4. Profit Forecast or Profit Guarantee

The Group has not provided any profit forecast in a public document.

B5. Variance from profit forecast or profit guarantee

Not applicable.

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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
QUARTER ENDED 31 DECEMBER 2020****UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD****B6. Taxation**

	Current Quarter		Cumulative Quarter	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	RM '000	RM '000	RM '000	RM '000
Current income tax				
- for the financial period	983	2,647	3,240	3,533
- under provision in prior financial period	102	2	102	9
	<u>1,085</u>	<u>2,649</u>	<u>3,342</u>	<u>3,542</u>
Deferred tax (assets)/liabilities				
- for the financial period	(1,220)	-	(1,220)	-
- recognition of fair value gain on investment properties	-	1,700	-	1,700
	<u>(135)</u>	<u>4,349</u>	<u>2,122</u>	<u>5,242</u>

Income tax expense is recognised in each interim period based on the best estimate of the income tax payable for the full financial year.

B7. Status of Corporate Proposals

The Company has on 8 July 2020 announced that it has entered into a related party transanction with SEG International Berhad ("SEGI"). The Company, via its wholly owned subsidiary, HCK Capital Holdings Sdn. Bhd., entered into an agreement to lease ("Agreement") with SEGi College (Subang Jaya) Sdn. Bhd., a wholly-owned subsidiary of SEGI, agreeing to lease Tower D and part of the podium of a development know as Edumetro @ Subang Jaya, which is held under the master title PN 97567, Lot 74746, Pekan Penaga, Daerah Petaling, Selangor Darul Ehsan at the address of Lot 74746, Persiaran Subang Permau, USJ 1, Subang Jaya, Selangor Darul Ehsan for a leasing tenure of 12 years commencing from the lease commencement date in June 2022.

The Company and SEGI had obtained approvals for the Proposed Transaction from their respective shareholders at their extraordinary general meetings convened on 23 September 2020 and 25 September 2020, respectively.

B8. Borrowings and Debt Securities

Details of Group's borrowings are as follows:

	As at 31 December 2020			As at 31 December 2019		
	Long term	Short term	Total	Long term	Short term	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Secured</u>						
Term loans	269,884	23,075	292,959	197,485	18,903	216,388
Revolving credit	-	10,000	10,000	-	10,000	10,000
Lease liabilities	248	1,308	1,556	1,439	1,879	3,318
	<u>270,132</u>	<u>34,383</u>	<u>304,515</u>	<u>198,924</u>	<u>30,782</u>	<u>229,706</u>

All loans and borrowings are denominated in Ringgit Malaysia ("RM").

The increase mainly due to the drawdown of term loans amounted of RM29.13 million for funding to project progress billings in current quarter.

B9. Changes in Material litigation

There was no material litigation against the Group as at the reporting date.

B10. Proposed Dividend

There was no dividend proposed in the current financial quarter and the previous corresponding financial quarter.

HCK CAPITAL GROUP BERHAD

(Incorporated in Malaysia)

(Company no: 484964-H)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**QUARTER ENDED 31 DECEMBER 2020****UNAUDITED REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2020****PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****B11. Basic earning per Ordinary share**

	Current Quarter		Cumulative Quarter	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Profit after taxation attributable to ordinary Protequity owners of the parent (RM'000)	264	1,982	4,112	6,906
Weighted average number of ordinary shares in issue ('000)	424,045	421,550	424,045	421,550
Basic earning per share (sen)	0.06	0.47	0.97	1.64
Profit after taxation attributable to ordinary equity owners of the parent (RM'000)	264	1,982	4,112	6,906
Weighted average number of ordinary shares in issue ('000)	424,045	421,550	424,045	421,550
Shares deemed to issued for no consideration ('000) - warrants	44,407	48,589	44,407	48,589
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	468,452	470,139	468,452	470,139
Diluted earning per share (sen)	0.06	0.42	0.88	1.47

B12. Auditors' report on preceding annual financial statement

The auditors' report on the financial statements for the financial year ended 31 December 2019 was not qualified.

B13. Profit Before Taxation

	Current Quarter		Cumulative Quarter	
	31/12/2020 RM'000	31/12/2019 RM'000	31/12/2020 RM'000	31/12/2019 RM'000
This is arrived at after charging/(crediting):				
Interest income	(6)	(3)	(143)	(175)
Interest expense	188	2,172	6,823	6,813
Amortisation of intangible assets	35	13	61	51
Depreciation of property, plant and equipment	37	798	176	1,582
Depreciation of right of use assets	695	-	1,715	-
Loss/(gain) on disposal of subsidiary	-	-	393	(161)

HCK CAPITAL GROUP BERHAD
PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER FYE2020 31/12/2020 RM'000	PRECEDING YEAR CORR. QTR FYE2019 31/12/2019 RM'000	CURRENT YEAR TO DATE FYE2020 31/12/2020 RM'000	PRECEDING YEAR CORRESPONDING FYE2019 31/12/2019 RM'000
1 Revenue	32,947	45,001	91,876	90,367
2 Profit before tax	(120)	6,033	6,500	11,976
3 Profit for the period	15	1,684	4,378	6,734
4 Profit attributable to ordinary equity	264	1,982	4,112	6,906
5 Basic earning per share (sen)	0.06	0.47	0.97	1.64
6 Proposed/Declared dividend per share (sen)	-	-	-	-
			AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share attributable to ordinary equity holders of the parent (RM)			0.50	0.49

PART A3 : ADDITIONAL INFORMATION

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER FYE2020 31/12/2020 RM'000	PRECEDING YEAR CORR. QTR FYE2019 31/12/2019 RM'000	CURRENT YEAR TO DATE FYE2020 31/12/2020 RM'000	PRECEDING YEAR CORRESPONDING FYE2019 31/12/2019 RM'000
1 Gross interest income	6	3	143	175
2 Gross interest expense	188	2,172	6,823	6,813