



**TPC PLUS BERHAD [200301012910 (615330-T)]**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 JUNE 2020**

*The figures have not been audited.*

|  | Note   | INDIVIDUAL QUARTER      |  | CUMULATIVE QUARTER      |   |
|--|--------|-------------------------|--|-------------------------|---|
|  |        | Current Year<br>Quarter | Preceding Year<br>Corresponding<br>Quarter | Current Year<br>To Date | Preceding Year<br>Corresponding<br>Period |
|  |        | 30.6.2020<br>RM'000     | 30.6.2019<br>RM'000                        | 30.6.2020<br>RM'000     | 30.6.2019<br>RM'000                       |
| <b>CONTINUING OPERATIONS :</b>                                 |        |                         |  |                         |   |
| Revenue  |        | 56,812                  | 53,520                                     | 117,107                 | 114,336                                   |
| Operating expenses   |        | (65,664)                | (54,391)                                   | (130,369)               | (104,023)                                 |
| Other operating income   |        | 1,016                   | 478  | 1,740                   | 947                                       |
| (Loss)/Profit from operations                                  |        | (7,836)                 | (393)                                      | (11,522)                | 11,260                                    |
| Finance costs  |        | (816)                   | (872)                                      | (1,613)                 | (1,748)                                   |
| (Loss)/Profit before taxation                                  | B14    | (8,652)                 | (1,265)                                    | (13,135)                | 9,512                                     |
| Taxation   | B6     | 536                     | (373)                                      | 323                     | (1,558)                                   |
| (Loss)/Profit after taxation                                   |        | (8,116)                 | (1,638)                                    | (12,812)                | 7,954                                     |
| Other comprehensive income                                     |        | -                       | -  | -                       | -   |
| <b>Total comprehensive (expenses)/income for the period</b>    |        | <b>(8,116)</b>          | <b>(1,638)</b>                             | <b>(12,812)</b>         | <b>7,954</b>                              |
| <b>(Loss)/Profit after taxation attributable to :</b>          |        |                         |  |                         |   |
| Equity holders of the Company                                  |        | (8,116)                 | (1,638)                                    | (12,812)                | 7,954                                     |
|  |        | <b>(8,116)</b>          | <b>(1,638)</b>                             | <b>(12,812)</b>         | <b>7,954</b>                              |
| <b>Total comprehensive (expenses)/income attributable to :</b> |        |                         |  |                         |   |
| Equity holders of the Company                                  |        | (8,116)                 | (1,638)                                    | (12,812)                | 7,954                                     |
|  |        | <b>(8,116)</b>          | <b>(1,638)</b>                             | <b>(12,812)</b>         | <b>7,954</b>                              |
| <b>(Loss)/Earnings per share</b>                               |        |                         |  |                         |   |
| - basic (sen)  | B17(a) | (3.47)                  | (0.70)                                     | (5.48)                  | 3.40                                      |
| - diluted (sen)  | B17(b) | N/A                     | N/A  | N/A                     | 2.89                                      |

*The Condensed Consolidated Statement of Profit or Loss and Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019.*



**TPC PLUS BERHAD [200301012910 (615330-T)]**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

*The figures have not been audited.*

|   | Note | As at Current<br>Quarter<br>Ended<br>30.6.2020<br>RM'000<br><i>UNAUDITED</i> | As at Preceding<br>Financial Year<br>Ended<br>31.12.2019<br>RM'000<br><i>AUDITED</i> |
|---|------|--|--|
| <b>ASSETS</b>                               |      |  |  |
| <b>Non-Current Assets</b>                   |      |  |  |
| Property, plant and equipment               |      | 97,010   | 95,618   |
| Right-of-use assets                         |      | 11,357   | 10,963   |
| Investment property                         |      | 280  | 400  |
|   |      | <b>108,647</b>   | <b>106,981</b>   |
| <b>Current Assets</b>                       |      |  |  |
| Inventories                                 |      | 8,347  | 7,321  |
| Biological assets                           |      | 34,015   | 36,320   |
| Current tax assets                          |      | 32   | 4  |
| Trade receivables                           | B16  | 57,145   | 40,014   |
| Other receivables, deposits and prepayments |      | 1,338  | 1,048  |
| Amount due by immediate holding company     |      | 2,051  | -  |
| Fixed deposits with financial institutions  |      | 565  | 565  |
| Short-term investment                       |      | 127  | 925  |
| Cash and bank balances                      |      | 2,903  | 4,828  |
|   |      | <b>106,523</b>   | <b>91,025</b>  |
| <b>TOTAL ASSETS</b>                         |      | <b>215,170</b>   | <b>198,006</b>   |
| <b>EQUITY AND LIABILITIES</b>               |      |  |  |
| Share capital                               |      | 52,028   | 52,009   |
| Warrant reserve                             |      | 19,314   | 19,325   |
| Retained earnings                           |      | 3,251  | 16,063   |
| Shareholders' equity                        |      | <b>74,593</b>  | <b>87,397</b>  |
| <b>Non-Current Liabilities</b>              |      |  |  |
| Long term borrowings                        | B10  | 12,552   | 14,360   |
| Lease liabilities                           | B10  | 7,868  | 3,983  |
| Deferred tax liabilities                    |      | 11,499   | 11,823   |
|   |      | <b>31,919</b>  | <b>30,166</b>  |
| <b>Current Liabilities</b>                  |      |  |  |
| Trade payables                              |      | 57,693   | 44,613   |
| Other payables and accruals                 |      | 2,952  | 3,153  |
| Amount owing to related companies           |      | 970  | 454  |
| Short term borrowings                       | B10  | 39,833   | 26,733   |
| Lease liabilities                           | B10  | 5,555  | 3,844  |
| Bank overdrafts                             | B10  | 1,655  | 1,646  |
|   |      | <b>108,658</b>   | <b>80,443</b>  |
| <b>TOTAL LIABILITIES</b>                    |      | <b>140,577</b>   | <b>110,609</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>         |      | <b>215,170</b>   | <b>198,006</b>   |
|   |      | -  | -  |
| <b>NET ASSETS PER SHARE (RM)</b>            |      | <b>0.32</b>  | <b>0.37</b>  |

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019.*



**TPC PLUS BERHAD [200301012910 (615330-T)]**

*(Incorporated in Malaysia)*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2020**

*The figures have not been audited.*

|   | <b>Share<br/>Capital</b> | <b>Share<br/>Premium</b> | <b>Warrant<br/>Reserve</b> | <b>Retained<br/>Earnings</b> | <b>Total<br/>Equity</b> |
|---|--------------------------|--------------------------|----------------------------|------------------------------|-------------------------|
|   | <b>RM'000</b>            | <b>RM'000</b>            | <b>RM'000</b>              | <b>RM'000</b>                | <b>RM'000</b>           |
| <b>At 1 January 2020</b>                    | 52,009                   | -                        | 19,325                     | 16,063                       | 87,397                  |
| Exercise of warrants                        | 19                       | -                        | (11)                       | -                            | 8                       |
| Total comprehensive expenses for the period | -                        | -                        | -                          | (12,812)                     | (12,812)                |
| <b>At 30 JUNE 2020</b>                      | <b>52,028</b>            | <b>-</b>                 | <b>19,314</b>              | <b>3,251</b>                 | <b>74,593</b>           |

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

|   | <b>Share<br/>Capital</b> | <b>Share<br/>Premium</b> | <b>Warrant<br/>Reserve</b> | <b>Retained<br/>Earnings</b> | <b>Total<br/>Equity</b> |
|---|--------------------------|--------------------------|----------------------------|------------------------------|-------------------------|
|   | <b>RM'000</b>            | <b>RM'000</b>            | <b>RM'000</b>              | <b>RM'000</b>                | <b>RM'000</b>           |
| <b>At 1 January 2019</b>                  | 52,009                   | -                        | 19,325                     | 13,979                       | 85,313                  |
| Total comprehensive income for the period | -                        | -                        | -                          | 7,954                        | 7,954                   |
| <b>At 30 JUNE 2019</b>                    | <b>52,009</b>            | <b>-</b>                 | <b>19,325</b>              | <b>21,933</b>                | <b>93,267</b>           |

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019.*



**TPC PLUS BERHAD [200301012910 (615330-T)]**

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED**

**30 JUNE 2020**

*The figures have not been audited.*

|  | <b>Current<br/>Year-to-Date<br/>30.6.2020<br/>RM'000</b> | <b>Preceding<br/>Year-to-Date<br/>30.6.2019<br/>RM'000</b> |
|--|--|--|
| <b>CASH FLOW (FOR)/FROM OPERATING ACTIVITIES</b>                 |  |  |
| (Loss)/Profit before taxation                                    | (13,135)   | 9,512  |
| <i>Adjustments for :</i>   |  |  |
| Assets written off   | -  | 224  |
| Depreciation of property, plant and equipment                    | 4,144  | 4,017  |
| Depreciation of right-of-use assets                              | 808  | 493  |
| Depreciation of investment property                              | 120  | 120  |
| Impairment losses on trade receivables                           | 257  | 251  |
| Interest expenses  | 1,613  | 1,748  |
| Dividend and interest income                                     | (23)   | (51)   |
| Operating (loss)/profit before working capital changes           | (6,216)  | 16,314   |
| Net change in inventories  | (1,026)  | 309  |
| Net change in biological assets                                  | 2,305  | (9,912)  |
| Net change in trade and other receivables                        | (19,833)   | (2,006)  |
| Net change in trade and other payables                           | 14,407   | 837  |
| Cash (for)/from operations                                       | (10,363)   | 5,542  |
| Income tax paid  | (28)   | (31)   |
| <b>Net cash (for)/from operating activities</b>                  | <b>(10,391)</b>  | <b>5,511</b>   |
| <b>CASH FLOW FROM/(FOR) INVESTING ACTIVITIES</b>                 |  |  |
| Dividend and interest income                                     | 23   | 51   |
| Increase in fixed deposit pledged                                | -  | (105)  |
| Acquisition of property, plant and equipment                     | -  | (292)  |
| <b>Net cash from/(for) investing activities</b>                  | <b>23</b>  | <b>(346)</b>   |
| <b>CASH FLOW FROM/(FOR) FINANCING ACTIVITIES</b>                 |  |  |
| Interest paid  | (1,613)  | (1,748)  |
| Repayment to related companies                                   | -  | (57)   |
| Proceeds from issuance of ordinary shares for warrants exercised | 8  | -  |
| Drawdown/(Repayment) of bankers' acceptances                     | 13,234   | (2,513)  |
| Repayment of lease liabilities                                   | (2,051)  | (1,789)  |
| Repayment of term loans  | (1,942)  | (1,870)  |
| <b>Net cash from/(for) financing activities</b>                  | <b>7,636</b>   | <b>(7,977)</b>   |
| <b>Net changes in cash and cash equivalents</b>                  | <b>(2,732)</b>   | <b>(2,812)</b>   |
| Cash and cash equivalents at beginning of the financial period   | 4,107  | 6,975  |
| <b>Cash and cash equivalents at end of the period</b>            | <b>1,375</b>   | <b>4,163</b>   |

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019.*



# TPC PLUS BERHAD

200301012910 (615330-T)  
(Incorporated in Malaysia)

## A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements

### A1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 and the accompanying explanatory notes attached. These explanatory notes attached to the financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

### A2. Changes in Accounting Policies

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 3: Definition of a Business

Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108: Definition of Material

Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

| <b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>   | <b>Effective Date</b> |
|---|-----------------------|
| MFRS 17 Insurance Contracts   | 1 January 2021        |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Deferred              |
| Annual Improvements to MFRS Standards 2018 – 2020   | 1 January 2022        |
| Amendments to Reference to The Conceptual Framework (Amendments to MFRS 3 Business Combinations)                          | 1 January 2022        |
| Amendments to MFRS16: Covid-19 Related Rent Concessions   | 1 June 2020           |
| Amendments to MFRS 101: Classification of Liabilities as Current or Non-current   | 1 January 2023        |
| Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use                                      | 1 January 2022        |
| Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract   | 1 January 2022        |



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## **A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)**

### **A2. Changes in Accounting Policies (Cont’d)**

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

### **A3. Auditors’ report**

The auditors’ report on the financial statements for the year ended 31 December 2019 was not subject to any audit qualification.

### **A4. Seasonal and Cyclical Factors**

The business operations of the Group was not significantly affected by any unusual seasonal or cyclical factors.

### **A5. Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence.

### **A6. Material Change in Estimates**

There were no material changes in estimates of the amounts reported in the current interim period of the current financial year.

### **A7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the financial period 30 June 2020.

### **A8. Dividends Paid**

There were no dividends paid during the current quarter under review.

### **A9. Segmental Information**

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business segment is not presented.

### **A10. Valuations of Property, Plant and Equipment**

There were no valuations carried out on property, plant and equipment of the Group during period under review.



# TPC PLUS BERHAD

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## A. Compliance with Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting And Bursa Listing Requirements (Cont’d)

### A11. Material Subsequent Events

There were no material events subsequent to the end of the current quarter that have not been reflected in the current financial statements.

### A12. Changes in the Composition of the Group

There were no major changes in the composition of the Group for the current financial quarter under review.

### A13. Capital Commitments

The capital commitments of the Group as at 30 June 2020 are as follow:-

|   |               |
|---|---------------|
|   | <b>RM’000</b> |
| Purchase of property, plant and equipment | <u>1,383</u>  |

### A14. Changes in Contingent Liabilities

Changes in material contingent liabilities of the Group and Company since 31 December 2019 were as follows:

|   | Group               |                     | Company             |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | 30.6.2020<br>RM’000 | 30.6.2019<br>RM’000 | 30.6.2020<br>RM’000 | 30.6.2019<br>RM’000 |
| Guarantees granted by the Company to third parties for credit facilities extended to subsidiaries             | Nil                 | Nil                 | 73,719              | 53,719              |
| Outstanding guarantees granted by the Company to third parties for credit facilities extended to subsidiaries | Nil                 | Nil                 | 54,039              | 37,683              |

### A15. Related Party Transactions

The following related party transactions have been entered into the normal course of business at arm’s length:

|  | Current Period | Cumulative   |
|--|----------------|--------------|
|  | Quarter        | Year to-Date |
|  | 30.6.2020      | 30.6.2020    |
|  | RM’000         | RM’000       |
| <b>Immediate holding company</b>                     |                |              |
| Sales of eggs, feeds and raw materials               | 3,098          | 9,148        |
| Purchase of eggs, feeds, raw materials and livestock | 9,121          | 18,971       |
| <b>Fellow subsidiaries</b>                           |                |              |
| Sales of feeds, raw materials and spent layers       | 29,478         | 54,907       |
| Purchase of feeds, raw materials and egg trays       | 3,754          | 5,699        |



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## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements

### B1. Performance Review

|   | Individual Period<br>(2 <sup>nd</sup> Quarter) |  | Changes<br>(%) | Cumulative Period          |   | Changes<br>(%) |
|---|--|--|----------------|----------------------------|---|----------------|
|   | Current Year<br>Quarter                        | Preceding Year<br>Corresponding<br>Quarter |                | Current<br>Year<br>To-Date | Preceding Year<br>Corresponding<br>Period |                |
|   | 30.6.2020                                      | 30.6.2019                                  |                | 30.6.2020                  | 30.6.2019                                 |                |
|   | RM'000   | RM'000                                     |                | RM'000                     | RM'000                                    |                |
| Revenue   | 56,812   | 53,520                                     | 6.15           | 117,107                    | 114,336                                   | 2.42           |
| (Loss) / Profit From<br>Operations  | (7,836)  | (393)                                      | (1,893.89)     | (11,522)                   | 11,260                                    | (202.33)       |
| (Loss) / Profit Before<br>Taxation  | (8,652)  | (1,265)                                    | (583.95)       | (13,135)                   | 9,512                                     | (238.09)       |
| (Loss) / Profit After<br>Taxation   | (8,116)  | (1,638)                                    | (395.48)       | (12,812)                   | 7,954                                     | (261.08)       |
| (Loss) / Profit After<br>Taxation Attributable to<br>Owners of the<br>Company | (8,116)  | (1,638)                                    | (395.48)       | (12,812)                   | 7,954                                     | (261.08)       |

For the current quarter under review, the Group recorded a consistent revenue of RM56.81 million as compared to the preceding year quarter of RM53.52 million, showing a small increase of approximately RM3.29 million or 6.15%. This increase was due to the improvement in average egg selling price of eggs despite of the decrease in the number of eggs sold for the quarter ended 30 June 2020.

However, the Group has reported a loss before taxation of RM8.65 million for the current quarter under review, in contrast to the loss before taxation of RM1.27 million in Q2 2019, indicating a significant drop of about RM7.38 million or 395%. This was mainly due to the increase in average cost per egg and higher fair value loss on biological assets during the quarter under review.

### B2. Comparison with the Preceding Quarter's Results

|   | Current<br>Quarter | Immediate<br>Preceding<br>Quarter | Changes<br>(%) |
|---|--------------------|-----------------------------------|----------------|
|   | 30.6.2020          | 31.3.2020                         |                |
|   | RM'000             | RM'000                            |                |
| Revenue   | 56,812             | 60,295                            | (5.78)         |
| Loss From Operations                                      | (7,836)            | (3,686)                           | (112.59)       |
| Loss Before Taxation                                      | (8,652)            | (4,483)                           | (93.00)        |
| Loss After Taxation                                       | (8,116)            | (4,696)                           | (72.83)        |
| Loss After Taxation Attributable to Owners of the Company | (8,116)            | (4,696)                           | (72.83)        |





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## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B2. Comparison with the Preceding Quarter's Results (Cont'd)

For the current quarter ended 30 June 2020, the Group registered a lower revenue of RM56.81 million comparing to the preceding quarter of RM60.30 million, which reveals a drop of approximately RM3.49 million or 5.78%. Such drop was primarily due to the decrease in the number of eggs sold compare to Q1 2020.

The Group recorded a loss before taxation of RM8.65 million for the current quarter under review compared to the immediate preceding quarter of a loss before taxation of RM4.48 million. The loss was mainly due to the decrease in the number of eggs sold and higher fair value loss on biological assets in the current quarter.

### B3. Commentary on Current Year Prospect

Coronavirus outbreak still poses an uncertain downside to the economy given the ambiguity of the outcome. Over supply of eggs and egg prices volatility during this challenging times still poses a weaker financial performance for the coming months if there is no corresponding increase in the average selling prices of eggs.

The Board is of the opinion that the financial performance of the Group for the remaining 6 months will continue to be challenging.

### B4. Profit Forecast or Profit Guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

### B5. Statement by Directors

The Group did not issue any profit forecast or projection in a public document in the current quarter or prior financial period.

### B6. Taxation

Income tax expense comprises the following:

|   | Individual Period      |                                      | Cumulative Period               |                                   |
|---|------------------------|--------------------------------------|---------------------------------|-----------------------------------|
|   | Current period quarter | Preceding year corresponding quarter | Current year-to-date (6 months) | Preceding year-to-date (6 months) |
|   | 30.6.2020              | 30.6.2019                            | 30.6.2020                       | 30.6.2019                         |
|   | RM'000                 | RM'000                               | RM'000                          | RM'000                            |
| In respect of the financial period Malaysian income tax | -                      | -                                    | -                               | -                                 |
| Deferred tax (income)/expense                           | (536)                  | 373                                  | (323)                           | 1,558                             |
| <b>Total</b>  | <b>(536)</b>           | <b>373</b>                           | <b>(323)</b>                    | <b>1,558</b>                      |



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## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B7. Landed Properties

There was no disposal of any landed properties for the current financial year.

### B8. Quoted Investment

There were no purchases or sales of quoted securities for the current financial year.

### B9. Status of Corporate Proposal and Utilisation of Proceeds

There were no corporate proposals announced but not completed as at 30 June 2020.

A total of 80,000,000 free Warrants were issued on 20 January 2016 and listed on Main Market of Bursa Malaysia Securities Berhad on 22 January 2016 with a 5 years' exercise period and each warrant carries the entitlement to subscribe for one (1) new TPC Share at an exercise price of RM0.20 per warrant. The maturity date for the warrants is on 19 January 2021.

A total of 40,000 warrants 2016/2021 were exercised during the current quarter under review.

As at 30 June 2020, a total of 61,000 warrants as below have been converted into shares.

| Date of allotment                | No of warrants exercised | Proceeds (RM) | Listing date |
|----------------------------------|--------------------------|---------------|--------------|
| In the Financial Year Ended 2017 | 21,000                   | 4,200         |              |
| 25/06/2020                       | 40,000                   | 8,000         | 30/06/2020   |
| <b>Total</b>                     | <b>61,000</b>            | <b>12,200</b> |              |

All proceeds have been deposited into TPC Plus Berhad's Warrant Account for working capital purpose.

### B10. Group Borrowings and Debt Securities

The Group's borrowings as at 30 June 2020 are all denominated in Ringgit Malaysia ("RM") and the breakdown of the total borrowings under current and non-current categories are as follows:

|                                | RM'000               |                      | RM'000        |
|--------------------------------|----------------------|----------------------|---------------|
| <b>Current</b>                 |                      | <b>Non-Current</b>   |               |
| Bankers' acceptances – secured | 35,316               | Term loans – secured | 12,552        |
| Term loans – secured           | 4,517                | Lease liabilities    | 7,868         |
| Lease liabilities              | 5,555                |                      |               |
| Overdrafts – secured           | 1,655                |                      |               |
|                                | <u>47,043</u>        |                      | <u>20,420</u> |
| <b>TOTAL BORROWINGS</b>        | <u><b>67,463</b></u> |                      |               |

- As at 30 June 2020, there were no borrowings denominated in foreign currencies.
- Effective average cost of borrowings based on exposure as at 30 June 2020 ranges from 5.23-8.27%.



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## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B11. Off Balance Sheet Financial Instrument

There were no off balance sheet financial instruments as at 30 June 2020.

### B12. Changes in Material Litigation since the Last Annual Statement of Financial Position

Other than the summons as described below, there were no material litigations involving the Group for the current quarter under review.

The status of the two (2) summons, MA-63AP-4-08/2019 and MA-63AP-5-08/2019, both of which were filed against the Company's wholly-owned subsidiary, Teck Ping Chan Agriculture Sdn Bhd (Company No. 197801004928 (41913-X)) ("TPCA"), which are currently pending before the Melaka Sessions Court, as follows:

a) MA-63AP-4-08/2019

The matter was called up before the Melaka Sessions Court on 12<sup>th</sup> August 2020 and 13<sup>th</sup> August 2020 for trial. The trial proceeded with the examination-in-chief, cross-examination and re-examination of the prosecution's witnesses. The prosecution had closed their case. The court has given directions for both the prosecution and TPCA to file written submissions by 14<sup>th</sup> September 2020 and written submissions in reply by 28<sup>th</sup> September 2020. The court has also fixed the decision on 12<sup>th</sup> October 2020 to determine whether the prosecution had proven a prima facie case in this matter.

b) MA-63AP-5-08/2019

The matter was called up before the Melaka Sessions Court on 12<sup>th</sup> August 2020 and 13<sup>th</sup> August 2020 for trial. The trial proceeded with the examination-in-chief, cross-examination and re-examination of the prosecution's witnesses. The prosecution had closed their case. The court has given directions for both the prosecution and TPCA to file written submissions by 14<sup>th</sup> September 2020 and written submissions in reply by 28<sup>th</sup> September 2020. The court has also fixed the decision on 12<sup>th</sup> October 2020 to determine whether the prosecution had proven a prima facie case in this matter.

The Company will make further announcement on this matter in due course

### B13. Dividend Payable

The Group has not recommended or declared any dividend during the current quarter and period to date ended 30 June 2020.



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## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B14. (Loss)/Profit Before Taxation Is Arrived at After Charging/(Crediting)

|  | Current Period | Cumulative   |
|--|----------------|--------------|
|  | Quarter        | Year to-Date |
|  | 30.6.2020      | 30.6.2020    |
|  | RM'000         | RM'000       |
| (Loss)/Profit before taxation is arrived at after charging/(crediting):- |                |              |
| Depreciation of property, plant and equipment                            | 2,075          | 4,144        |
| Depreciation of right-of-use assets                                      | 404            | 808          |
| Depreciation of investment property                                      | 60             | 120          |
| Impairment loss on financial assets – MFRS 9                             | 125            | 257          |
| Interest expenses  | 816            | 1,613        |
| Other income including investment income                                 | (21)           | (23)         |

Other than the above items, there were no provision for and write off of inventories, gain or loss on disposal of unquoted investment or properties, gain or loss on derivatives and exceptional items for the current and financial year-to-date.

### B15. Cash and Cash Equivalent at The End of The Financial Period

|  | RM'000       |
|--|--------------|
| Cash and bank balances                     | 2,903        |
| Short-term investment                      | 127          |
| Fixed deposits with financial institutions | 565          |
| Bank overdrafts (secured)                  | (1,655)      |
|  | <u>1,940</u> |
| Less: Fixed deposits pledged               | (565)        |
|  | <u>1,375</u> |

### B16. Trade Receivables

|  | Cumulative    | Cumulative    |
|--|---------------|---------------|
|  | Year to-Date  | Year to-Date  |
|  | 30.6.2020     | 31.3.2020     |
|  | RM'000        | RM'000        |
| Third parties                                | 7,503         | 9,490         |
| Fellow subsidiaries                          | 53,229        | 40,916        |
| Impairment loss on financial assets – MFRS 9 | (1,039)       | (914)         |
| Impairment losses on trade receivables       | (2,548)       | (2,548)       |
| <b>Total</b>                                 | <b>57,145</b> | <b>46,944</b> |



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## B. Explanatory Notes Pursuant To Appendix 9B of The Bursa Malaysia Securities Berhad Main Market Listing Requirements (Cont'd)

### B17. (Loss)/Earnings Per Share (“LPS/EPS”)

|   | Individual Quarter |           | Cumulative Quarter |           |
|---|--------------------|-----------|--------------------|-----------|
|   | 30.6.2020          | 30.6.2019 | 30.6.2020          | 30.6.2019 |
|   | RM'000             | RM'000    | RM'000             | RM'000    |
| <b>a) Basic Loss per Share</b>  |                    |           |                    |           |
| Net (Losses)/Earnings for the period  | (8,116)            | (1,638)   | (12,812)           | 7,954     |
| Weighted average number of ordinary shares                                  | 233,835            | 233,795   | 233,835            | 233,795   |
| Basic (Loss)/Earnings per Share (sen)                                       | (3.47)             | (0.70)    | (5.48)             | 3.40      |
| <b>b) Diluted Earnings Per Share</b>  |                    |           |                    |           |
| Net Earnings for the period   | -                  | -         | -                  | 7,954     |
| Weighted average number of ordinary shares                                  | -                  | -         | -                  | 233,795   |
| Number of shares deemed to have been issued for no consideration – Warrants | -                  | -         | -                  | 41,167    |
| Weighted average number of ordinary shares                                  | -                  | -         | -                  | 274,962   |
| Diluted Earnings per Share (sen)  | *-                 | *-        | *-                 | 2.89      |

\*The diluted loss per share is not presented as there is an anti-dilutive effect arising from the assumed exercise of warrants.