



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>As At</b>	<b>As At</b>
	<b>31.03.21</b>	<b>31.12.20</b>
<b>ASSETS</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>		
Property, plant and equipment	56,223	59,066
Right-of-use assets	5,932	5,765
Investment properties	117,279	118,306
	<u>179,434</u>	<u>183,137</u>
<b>Current assets</b>		
Inventories	25,771	29,065
Trade receivables	29,977	30,524
Other receivables, deposits and prepayments	6,075	1,550
Current tax assets	152	140
Cash and bank balances	69,369	63,322
	<u>131,344</u>	<u>124,601</u>
<b>TOTAL ASSETS</b>	<u>310,778</u>	<u>307,738</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	115,002	115,002
Retained earnings	102,091	100,222
	<u>217,093</u>	<u>215,224</u>
Non-controlling interests	39,813	41,132
<b>Total equity</b>	<u>256,906</u>	<u>256,356</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	19,971	19,970
Lease liabilities	237	91
Deferred tax liabilities	4,263	4,662
	<u>24,471</u>	<u>24,723</u>
<b>Current liabilities</b>		
Trade payables	7,186	4,648
Other payables	18,980	19,644
Lease liabilities	230	176
Current tax liabilities	3,005	2,191
	<u>29,401</u>	<u>26,659</u>
<b>Total liabilities</b>	<u>53,872</u>	<u>51,382</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>310,778</u>	<u>307,738</u>
Net Assets per Share (RM)	0.61	0.60
Net Assets (RM'000)	217,093	215,224

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020)



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTHS ENDED 31 MARCH 2021

	Current Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31.03.21	31.03.20	31.03.21	31.03.20
	RM'000	RM'000	RM'000	RM'000
Revenue	54,432	52,005	54,432	52,005
Cost of sales	(42,696)	(42,583)	(42,696)	(42,583)
<b>Gross profit</b>	<u>11,736</u>	<u>9,422</u>	<u>11,736</u>	<u>9,422</u>
Other operating income	3,889	3,416	3,889	3,416
Operating expenses	(6,978)	(6,661)	(6,978)	(6,661)
Finance costs	(169)	(185)	(169)	(185)
<b>Profit before tax</b>	<u>8,478</u>	<u>5,992</u>	<u>8,478</u>	<u>5,992</u>
Tax expense	(2,221)	(1,526)	(2,221)	(1,526)
<b>Profit for the period</b>	<u>6,257</u>	<u>4,466</u>	<u>6,257</u>	<u>4,466</u>
<b>Other comprehensive income, net of tax</b>	0	0	0	0
<b>Total comprehensive income for the period</b>	<u>6,257</u>	<u>4,466</u>	<u>6,257</u>	<u>4,466</u>
<b>Profit / (Loss) for the period attributable to:</b>				
- Owners of the parent	6,368	4,611	6,368	4,611
- Non-controlling interests	<u>(111)</u>	<u>(145)</u>	<u>(111)</u>	<u>(145)</u>
<b>Total comprehensive income / (loss) for the period attributable to:</b>				
- Owners of the parent	6,368	4,611	6,368	4,611
- Non-controlling interests	<u>(111)</u>	<u>(145)</u>	<u>(111)</u>	<u>(145)</u>
<b>Earnings per ordinary share attributable equity holders of the Company:</b>				
Basic and diluted earnings per share (sen)	<u>1.78</u>	<u>1.29</u>	<u>1.78</u>	<u>1.29</u>

(The Unaudited 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 2020)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE THREE-MONTHS ENDED 31 MARCH 2021**

	Share Capital RM'000	<u>Distributable</u> Retained Earnings RM'000	Total Attributable To Owners of The Parent RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 January 2020	112,137	74,443	186,580	43,858	230,438
Profit / (Loss) for the financial period	0	4,611	4,611	(145)	4,466
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income / (loss) for the period	0	4,611	4,611	(145)	4,466
<b>Transactions with owners</b>					
Issuance of ordinary shares - exercise of warrants	2,865	0	2,865	0	2,865
Total transactions with owners	2,865	0	2,865	0	2,865
As at 31 March 2020	<u>115,002</u>	<u>79,054</u>	<u>194,056</u>	<u>43,713</u>	<u>237,769</u>
As at 1 January 2021	115,002	100,222	215,224	41,132	256,356
Profit / (Loss) for the financial period	0	6,368	6,368	(111)	6,257
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income / (loss) for the period	0	6,368	6,368	(111)	6,257
<b>Transactions with owners</b>					
Acquisition of shares from non-controlling interests	0	(892)	(892)	(1,208)	(2,100)
Dividend	0	(3,607)	(3,607)	0	(3,607)
Total transactions with owners	0	(4,499)	(4,499)	(1,208)	(5,707)
As at 31 March 2021	<u>115,002</u>	<u>102,091</u>	<u>217,093</u>	<u>39,813</u>	<u>256,906</u>

(The Unaudited Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THREE-MONTHS ENDED 31 MARCH 2021

	3 months ended	
	31.03.21	31.03.20
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	8,478	5,992
Adjustments for :		
Impairment losses on receivables	22	29
Depreciation of property, plant and equipment	3,142	1,478
Depreciation of investment properties	663	381
Depreciation of right-of-use assets	97	92
Interest expense	169	185
Interest income	(230)	(262)
Net unrealised gain on foreign exchange	(50)	(53)
Loss on disposal of investment properties	184	0
Operating profit before working capital changes	12,475	7,842
Decrease in inventories	3,294	498
(Decrease) / Increase in trade and other receivables	(3,954)	984
Decrease in trade and other payables	(1,828)	(552)
Cash generated from operations	9,987	8,772
Interest paid	(1)	(3)
Interest received	230	262
Tax paid	(1,818)	(841)
Net cash from operating activities	8,398	8,190
Cash flows from investing activities		
Proceeds from disposal of investment properties	180	0
Purchase of property, plant and equipment	(298)	(156)
Accretion of interests in a subsidiary	(2,100)	0
Net cash used in investing activities	(2,218)	(156)
Cash flows from financing activities		
Repayments of interest on term loans	(163)	(176)
Repayments of lease liabilities	(69)	(53)
Proceeds from issuance of shares pursuant to exercise of warrants	0	2,865
Net cash (used in) / from financing activities	(232)	2,636
Net increase in cash and cash equivalents	5,948	10,670
Effect of exchange rate changes on cash and cash equivalents	99	305
Cash and cash equivalents at beginning of the financial period	63,322	36,090
Cash and cash equivalents at end of the financial period	69,369	47,065



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THREE-MONTHS ENDED 31 MARCH 2020 (Continued)**

Cash and cash equivalents at the end of the financial period comprise of the following :

	<b>As at 31.03.21 RM'000</b>	<b>As at 31.03.20 RM'000</b>
Cash and bank balances	<u>69,369</u>	<u>47,065</u>
	<u>69,369</u>	<u>47,065</u>

**Reconciliation of liabilities arising from financing activities**

	<b>Lease liabilities RM'000</b>	<b>Term loans RM'000</b>
As at 1 January 2021	267	19,970
Cash flows		
- repayments	(69)	(163)
Non-cash flows		
- addition of lease liabilities	265	0
- unwinding of interest	4	164
As at 31 March 2021	<u>467</u>	<u>19,971</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020)



NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER MFRS 134

**A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards ('MFRS') No. 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2020.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the audited consolidated financial statements of the Group for the financial year ended 31 December 2020.

The Group had adopted the following Amendments to Standards, with a date of initial application of 1 January 2021.

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 *Interest rate Benchmark Reform - Phase 2*

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

Amendment to MFRS 16 *Leases Covid-19-Related Rent Concessions beyond 30 June 2021*  
MFRS 17 *Insurance Contracts*  
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*  
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*  
Annual Improvements to MFRS Standards 2018 - 2020  
Amendments to MFRS 3 *Reference to the 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*  
Amendments to MFRS 17 *Insurance Contracts*  
Amendments to MFRS 101 *Presentation of Financial Statements*  
Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*

**A2. Auditors' Report**

The auditors' report on the financial statements for the financial year ended 31 December 2020 was not subject to any qualification.

**A3. Seasonal and Cyclical factors**

Other than solar segment, the Group's products are subject to some seasonality whereby will be peaks before the major festivals such as Hari Raya, Christmas day, New Year and Chinese New Year.

**A4. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows because of their nature, size, or incidence for the current quarter under review and financial year to date.

**A5. Material Changes in Estimates**

There were no other changes in accounting estimates of amounts reported in prior interim periods or the current financial period or changes in estimates of amounts reported in prior financial years.

**A6. Issuances and repayment of debt and equity securities**

For the financial year to date, there was no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

**A7. Dividend paid**

A single tier interim dividend of 1.0 sen per ordinary share for the financial year ending 31 December 2021 has been paid on 15 April 2021.

**A8. Other Operating Income**

	Current Quarter 31.03.2021 RM'000	3 months Cumulative 31.03.2021 RM'000
Interest income	230	230
Foreign exchange gain	279	279
Rental income	1,660	1,660
Other income	1,720	1,720
Total other operating income	<u>3,889</u>	<u>3,889</u>



NOTES TO THE INTERIM FINANCIAL REPORT

A9. Operating Expenses

	Current Quarter 31.03.2021 RM'000	3 months Cumulative 31.03.2021 RM'000
Depreciation of property, plant and equipment	385	385
Depreciation of investment properties	663	663
Salaries, allowances and bonus	2,172	2,172
Transportation	2,184	2,184
Water and electricity	22	22
General repairs and maintenance	525	525
Loss on disposal of investment properties	184	184
Depreciation of right-of-use assets	73	73
Others	770	770
Total operating expenses	<u>6,978</u>	<u>6,978</u>

A10. Finance costs

	Current Quarter 31.03.2021 RM'000	3 months Cumulative 31.03.2021 RM'000
Interest on term loans	164	164
Interest on lease liabilities	4	4
Others	1	1
Total finance costs	<u>169</u>	<u>169</u>

A11. Segmental Reporting

The Group is principally involved in investment holding and its subsidiaries are principally engaged in manufacturing and trading of Polyvinyl Chloride ('PVC') related products and Polypropylene ('PP') Non-Woven, trading of Solar Cell products and generate and supply the renewable energy.

The Group has arrived at two (2) reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies.

The reportable segments are summarised as follows:

- (i) PVC  
Manufacturing and trading of PVC Sheeting, PP Non-Woven, PP Transparent and Translucent Sheet, PVC Leather related products for industrial and consumer use.
- (ii) Solar  
Trading of Solar Cell products and Generate and supply the renewable energy.

	PVC RM'000	Solar RM'000	Group RM'000
<b>1 January 2021 to 31 March 2021</b>			
<b>Revenue</b>			
Total revenue	66,472	470	66,942
Elimination	(12,510)	0	(12,510)
Revenue from external customers	<u>53,962</u>	<u>470</u>	<u>54,432</u>
<b>Results</b>			
Segment results	6,593	(1,835)	4,758
Other operating income	2,152	1,737	3,889
Finance costs	(5)	(164)	(169)
Profit / (Loss) before tax	8,740	(262)	8,478
Income tax expense	(2,221)	0	(2,221)
Profit / (Loss) for the period	<u>6,519</u>	<u>(262)</u>	<u>6,257</u>
<b>Assets</b>	<u>178,874</u>	<u>131,904</u>	<u>310,778</u>
<b>Liabilities</b>	<u>29,517</u>	<u>24,355</u>	<u>53,872</u>
<b>1 January 2020 to 31 March 2020</b>			
<b>Revenue</b>			
Total revenue	61,348	0	61,348
Elimination	(9,343)	0	(9,343)
Revenue from external customers	<u>52,005</u>	<u>0</u>	<u>52,005</u>
<b>Results</b>			
Segment results	4,505	(1,744)	2,761
Other operating income	1,808	1,608	3,416
Finance costs	(9)	(176)	(185)
Profit / (Loss) before tax	6,304	(312)	5,992
Income tax expense	(1,526)	0	(1,526)
Profit / (Loss) for the period	<u>4,778</u>	<u>(312)</u>	<u>4,466</u>
<b>Assets</b>	<u>150,798</u>	<u>136,595</u>	<u>287,393</u>
<b>Liabilities</b>	<u>26,197</u>	<u>23,427</u>	<u>49,624</u>



NOTES TO THE INTERIM FINANCIAL REPORT

**A12. Valuation of Property, Plant and Equipment**

There was no revaluation of property, plant and equipment by the Group since the last audited financial statements for the financial year ended 31 December 2020.

**A13. Subsequent Events**

On 14 January 2021, a wholly-owned subsidiary of TSHB, Wangsaga Industries Sdn. Bhd. ("WISB") and Tek Seng Properties & Development Sdn. Bhd. ("TPSB"), entered into a sale and purchase agreement ("SPA") with an external party to jointly acquire a parcel of industrial land for a purchase consideration of RM46.9 million ("Acquisition"). The purchase transaction has not been completed as of date of this report.

On 07 April 2021, TSHB announced that the acquisition of industrial land ("the land") is deemed as a related party transaction. Consequently, TSHB has sought the consent of the Limsa Ekuiti Sdn. Bhd. ("Vendor") to enter into a supplemental agreement to vary the terms and conditions of the SPA. However, the Vendor has declined to provide the consent as the SPA has become unconditional following the Vendors' shareholders approval on 31 March 2021.

In order to address this situation, WISB has entered into a nomination agreement on 22 April 2021 with Ganjaran Wawasan Sdn. Bhd. ("GWBSB") to purchase the 43569 undivided shares ("54.91%") of the Land in the said Property in place of WISB ("Nomination Agreement"). WISB has entered into the Nomination Agreement, to avoid the 10% deposit which WISB has paid to purchase the 54.91% of the Land from being forfeited in the event that the non-interested shareholders' approval for the acquisition cannot be obtained or is rejected.

On 22 April 2021, TSHB has appointed M&A Securities as the Independent Adviser to advise the non-interested shareholders of TSHB pursuant to the proposed acquisition.

Further details are set out in the announcements dated 22 April 2021.

**A14. Changes In The Composition of The Group**

As at 04 January 2021, TS Solartech, was a 56.07% owned subsidiary of TSHB. On 05 January 2021, pursuant to the ordinary shares purchased from non-controlling interest of TS Solartech, TSHB's equity interest in TS Solartech had been increased to 57.36% and whereas non-controlling shareholders' shareholdings had been reduced from 43.93% to 42.64%. TS Solartech does not have any subsidiary or associate company.

**A15. Contingent Liabilities**

Secured corporate guarantees given to licensed banks for facilities granted to subsidiaries  
Unsecured corporate guarantees given to suppliers of subsidiaries

<b>31.03.2021</b>
<b>RM'000</b>
32,660
4,159
<u>36,819</u>

**A16. Capital Commitments**

There were no material capital commitments in respect of property, plant and equipment for the interim financial statements as at 31 March 2021.

**PART B : ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1. Review of Performance**

**Table 1 : Financial Review for current quarter and financial period to date**

	Current Quarter 3 months ended		Changes + / -		Cumulative Quarter 3 months ended		Changes + / -	
	31.03.21 RM'000	31.03.20 RM'000			31.03.21 RM'000	31.03.20 RM'000		
			RM'000	%	RM'000	RM'000	RM'000	%
Revenue	54,432	52,005	2,427	4.67	54,432	52,005	2,427	4.67
Gross profit	11,736	9,422	2,314	24.56	11,736	9,422	2,314	24.56
Profit before interest and tax	8,417	5,915	2,502	42.30	8,417	5,915	2,502	42.30
Profit before tax	8,478	5,992	2,486	41.49	8,478	5,992	2,486	41.49
Profit for the period	6,257	4,466	1,791	40.10	6,257	4,466	1,791	40.10
Profit attributable to owners of the parent	6,368	4,611	1,757	38.10	6,368	4,611	1,757	38.10

**Current Quarter vs. Previous Year Corresponding Quarter**

For the current quarter, the Group recorded a revenue of RM54.4 million while profit before tax was recorded at RM8.5 million. When compared to corresponding quarter of 31 March 2020, the revenue was recorded at RM52.0 million while profit before tax was recorded at RM6.0 million.

Performance of the respective operating business segments for the current quarter as compared to the previous year corresponding quarter is analysed as follows:-

1) PVC - The increase in profit before tax by RM2.4 million from RM6.3 million to RM8.7 million was mainly due to :

- i) As vaccinations and recovery takes place, PVC sheets demand had been steadily increasing during the 1st Quarter 2021. PVC segment had contributed significantly especially from the household, furniture as well as the stationery supplies industry.
- ii) Steady demand from the PP Non-Woven products for Personal Protective Equipments such as face masks and gowns.
- iii) Higher selling price for the PVC segment, especially from PVC Sheeting and PP Non-Woven products.

2) Solar - The decrease in loss before tax by RM50,000 from RM312,000 to RM262,000 was mainly due to lower depreciation during the period.





NOTES TO THE INTERIM FINANCIAL REPORT

**B2. Variation of Results Against Preceding Quarter**

Table 2 : Financial Review for current quarter and compared with immediate preceding quarter

	Current Quarter	Preceding Quarter	Changes	
	01.01.21-31.03.21 RM'000	01.10.20-31.12.20 RM'000	RM'000	%
Revenue	54,432	48,517	5,915	12.19
Gross profit	11,736	13,479	(1,743)	(12.93)
Profit before interest and tax	8,417	9,628	(1,211)	(12.58)
Profit before tax	8,478	9,672	(1,194)	(12.34)
Profit for the period	6,257	8,182	(1,925)	(23.53)
Profit attributable to owners of the parent	6,368	8,164	(1,796)	(22.00)

The Group revenue increased by RM5.9 million in the current quarter, representing 12.2% increase from RM48.5 million in the preceding quarter due to higher revenue contributed by the PVC segments before major festival such as Hari Raya.

The Group's profit before tax for the current quarter is RM8.5 million compared to profit before tax RM9.7 million as recorded in the preceding quarter. This was mainly due to higher production overhead especially depreciation of certain machineries in the first quarter of 2021. Lower margin was due to some lagged shipments from previous quarter due to insufficient containers and rising shipping cost as well as sudden surge in PVC raw materials in first quarter 2021.

**B3. Prospects**

The Board of Directors foresees the performance of the Group for 2021 will be very challenging for its PVC business due to fluctuation in the price of raw materials, unexpected rise of shipping cost as a result of the market uncertainty due to COVID-19 pandemic and the impact from the fluctuation in foreign currency. The shortage of various raw material has driven the cost of manufacturing to a new high. This unprecedented situation has impacted the global supply chain as the Company purchases are mainly from Taiwan, China and Singapore.

However, the Group will be more cautious in managing our incoming supplies for 2021 and taking cautious approaches to mitigate the exposure by improving its operational efficiency, product quality and product innovation as a positive step forward to sustain the Group's business growth as well as monitoring financial aspect more closely. The Group will also look into exploring new market share globally.

Forward looking as COVID-19 vaccine arrives, the management is hopeful for an economy recovery in 2021. Thus, the Company has entered into a sale and purchase agreement to acquire a 468,875 square feet land to expand our current PVC segment. Due to 100% utilization of the current plant, the Group is looking to set up a new warehouse, factory and a worker's dormitory. The Company is also looking to restructure our current manufacturing facilities in order to provide leaner and more efficient way of operation.

As for solar segment, the factory buildings of TS Solartech Sdn. Bhd. had been rented out and the Company continues to generate income from the 1.18 MW solar energy arising from the solar panel installed.

**B4. Variance of Actual and Forecast Revenue**

Not applicable.

**B5. Income Tax Expense**

	Current Quarter	3 months
	31.03.21	Cumulative
	RM'000	31.03.21
		RM'000
<b>Current tax expense</b>		
- current	2,620	2,620
<b>Deferred tax expense</b>		
- Origination and reversal of temporary differences	(399)	(399)
Total tax expense	<u>2,221</u>	<u>2,221</u>

The Group's effective tax rate for the current period differs from the statutory tax rate due to certain expenses which are not deductible for tax purposes and losses suffered by a subsidiary.

**B6. Sale of Unquoted Investments and/or Properties**

There were no sale of unquoted investments and/or properties for the current quarter and financial year to date.

**B7. Status of Corporate Proposal**

There were no corporate proposals announced as at the date of issue of this interim financial report.



NOTES TO THE INTERIM FINANCIAL REPORT

**B8. Trade Receivables**

	At end of current financial quarter 31.03.2021 RM'000	At end of previous financial year 31.12.2020 RM'000
Trade receivables	30,596	31,122
Less : Impairment losses	(619)	(598)
	<u>29,977</u>	<u>30,524</u>

The trade receivables are non-interest bearing and the normal trade credit terms granted by the Group range from 30 to 120 days terms.

a) Ageing analysis of trade receivables of the Group is as follows:

	At end of current financial quarter 31.03.2021 RM'000	At end of previous financial year 31.12.2020 RM'000
Neither past due nor impaired	22,799	21,664
Past due, but not impaired		
1 to 30 days	4,902	6,702
31 to 60 days	1,706	1,591
61 to 90 days	1,073	896
More than 91 days	116	269
	<u>7,797</u>	<u>9,458</u>
	30,596	31,122
Impaired	(619)	(598)
	<u>29,977</u>	<u>30,524</u>

b) The Group assesses the impairment on trade receivable based on expected credit loss model.

**B9. Related party disclosures**

i) Identity of related party

- The Company has controlling related party relationship with its direct subsidiaries.

ii) The Group had no transaction with related party during the financial period.

**B10. Group Borrowings**

The Group's borrowings as at the end of the reporting quarter were as follows:

	As at 31.03.2021		
	Short term RM'000	Long term RM'000	Total RM'000
<b>Secured</b>			
Term loans	0	19,971	19,971
	<u>0</u>	<u>19,971</u>	<u>19,971</u>
<b>Unsecured</b>			
	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>

**B11. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B12. Material Litigation**

The Group is not engaged in any material litigation as at the date of this report (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B13. Proposed Dividend**

A final single tier dividend of 0.5 sen per ordinary share for the financial year ended 31 December 2020 will be proposed for shareholders' approval at the forthcoming Annual General Meeting.



NOTES TO THE INTERIM FINANCIAL REPORT

**B14. Earnings Per Share**

**(a) Basic Earnings Per Share**

The basic earnings per share for the current financial quarter and current financial year-to-date had been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the weighted average number of shares in issue.

	<b>Individual Current Quarter 31.03.21</b>	<b>3 Months Cumulative To Date 31.03.21</b>
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	<u>6,368</u>	<u>6,368</u>
Weighted average number of ordinary shares in issue ('000)	<u>358,450</u>	<u>358,450</u>
<b>Basic Earnings Per Share based on weighted average number of ordinary shares in issue (sen)</b>	<b><u>1.78</u></b>	<b><u>1.78</u></b>

**(b) Diluted Earnings Per Share**

The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any potential dilutive ordinary shares in issue.

**B15. Provision of Financial Assistance**

There has been no additional financial assistance provided pursuant to Paragraph 8.23 of the Main Market Listing Requirement during the current quarter.

**B16. Reviews By External Auditors**

The Board had engaged the external auditors to review and report on the condensed consolidated financial statements of Tek Seng Holdings Bhd. for the first quarter ended 31 March 2021 in accordance with International Standard on Review Engagements 2410 (ISRE2410), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

The external auditors reported to the Board that nothing has come to their attention that causes them to believe that the said condensed consolidated financial statements were not presented fairly, in all material respects, in accordance with MFRS134 : Interim Financial Reporting in Malaysia. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

**By order of the Board**

**TEK SENG HOLDINGS BERHAD**

**LOH KOK BENG  
EXECUTIVE CHAIRMAN  
Dated : 07 May 2021**