



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	(Unaudited)	(Audited)
	As At	As At
	30.09.22	31.12.21
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	79,533	80,685
Right-of-use assets	5,609	5,963
Investment properties	114,578	115,236
	<u>199,720</u>	<u>201,884</u>
Current assets		
Inventories	36,297	31,062
Trade receivables	22,407	28,547
Other receivables, deposits and prepayments	3,482	1,862
Current tax assets	3,098	1,499
Cash and bank balances	53,104	47,116
	<u>118,388</u>	<u>110,086</u>
TOTAL ASSETS	<u>318,108</u>	<u>311,970</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	115,002	115,002
Retained earnings	111,573	105,176
	<u>226,575</u>	<u>220,178</u>
Non-controlling interests	40,306	40,439
Total equity	<u>266,881</u>	<u>260,617</u>
LIABILITIES		
Non-current liabilities		
Borrowings	19,886	19,875
Lease liabilities	276	281
Deferred tax liabilities	4,559	4,757
	<u>24,721</u>	<u>24,913</u>
Current liabilities		
Trade payables	8,847	5,030
Other payables	16,846	17,962
Borrowings	0	1,808
Lease liabilities	60	307
Current tax liabilities	753	1,333
	<u>26,506</u>	<u>26,440</u>
Total liabilities	<u>51,227</u>	<u>51,353</u>
TOTAL EQUITY AND LIABILITIES	<u>318,108</u>	<u>311,970</u>
Net Assets per Share (RM)	0.63	0.61
Net Assets (RM'000)	226,575	220,178

(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 2021)



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2022

	Current Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.09.22 RM'000	30.09.21 RM'000	30.09.22 RM'000	30.09.21 RM'000
Revenue	40,199	42,324	149,484	140,279
Cost of sales	(31,595)	(33,233)	(117,061)	(106,554)
Gross profit	<u>8,604</u>	<u>9,091</u>	<u>32,423</u>	<u>33,725</u>
Other operating income	1,493	1,918	4,528	5,686
Operating expenses	(6,943)	(7,480)	(23,486)	(20,684)
Finance costs	(130)	(40)	(396)	(359)
Profit before tax	<u>3,024</u>	<u>3,489</u>	<u>13,069</u>	<u>18,368</u>
Tax expense	(32)	(734)	(2,698)	(4,443)
Profit for the period	<u>2,992</u>	<u>2,755</u>	<u>10,371</u>	<u>13,925</u>
Other comprehensive income, net of tax	0	0	0	0
Total comprehensive income for the period	<u>2,992</u>	<u>2,755</u>	<u>10,371</u>	<u>13,925</u>
Profit for the period attributable to:				
- Owners of the parent	2,769	2,503	10,010	13,647
- Non-controlling interests	<u>223</u>	<u>252</u>	<u>361</u>	<u>278</u>
Total comprehensive income for the period attributable to:				
- Owners of the parent	2,769	2,503	10,010	13,647
- Non-controlling interests	<u>223</u>	<u>252</u>	<u>361</u>	<u>278</u>
Earnings per ordinary share attributable equity holders of the Company:				
Basic and diluted earnings per share (sen)	<u>0.77</u>	<u>0.70</u>	<u>2.79</u>	<u>3.81</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 2021)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2022**

	Share Capital RM'000	<u>Distributable</u> Retained Earnings RM'000	<u>Total</u> Attributable To Owners of The Parent RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
As at 1 January 2021	115,002	100,222	215,224	41,132	256,356
Profit for the financial period	0	13,647	13,647	278	13,925
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	13,647	13,647	278	13,925
Transactions with owners					
Acquisition of shares from non-controlling interests	0	(892)	(892)	(1,208)	(2,100)
Dividends	0	(9,017)	(9,017)	0	(9,017)
Total transactions with owners	0	(9,909)	(9,909)	(1,208)	(11,117)
As at 30 September 2021	115,002	103,960	218,962	40,202	259,164
As at 1 January 2022	115,002	105,176	220,178	40,439	260,617
Profit for the financial period	0	10,010	10,010	361	10,371
Other comprehensive income, net of tax	0	0	0	0	0
Total comprehensive income for the period	0	10,010	10,010	361	10,371
Transactions with owners					
Acquisition of shares from non-controlling interests	0	(6)	(6)	(494)	(500)
Dividend	0	(3,607)	(3,607)	0	(3,607)
Total transactions with owners	0	(3,613)	(3,613)	(494)	(4,107)
As at 30 September 2022	115,002	111,573	226,575	40,306	266,881

(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 2021)



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2022**

	9 months ended	
	30.09.22	30.09.21
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	13,069	18,368
Adjustments for :		
Amortisation of intangible asset		
Bad debts written off	26	0
Reversal of impairment losses on receivables	(411)	0
Impairment losses on receivables	329	524
Depreciation of property, plant and equipment	4,089	6,003
Depreciation of investment properties	1,995	1,986
Depreciation of right-of-use assets	288	314
Interest expense	396	359
Interest income	(733)	(733)
Net unrealised gain on foreign exchange	(67)	(24)
Gain on modification of lease term	(2)	0
Loss on disposal of investment properties	0	186
Gain on disposal of property, plant and equipment	0	(51)
Operating profit before working capital changes	<u>18,979</u>	<u>26,932</u>
Increase in inventories	(5,235)	(4,157)
Decrease in trade and other receivables	4,672	6,166
Decrease / (Increase) in trade and other payables	<u>2,556</u>	<u>(1,930)</u>
Cash generated from operations	20,972	27,011
Interest paid	(12)	(18)
Interest received	733	733
Tax paid	(5,075)	(4,589)
Net cash from operating activities	<u>16,618</u>	<u>23,137</u>
Cash flows from investing activities		
Proceeds from disposal of investment properties	0	237
Proceeds from disposal of property, plant and equipment	8	51
Purchase of property, plant and equipment	(2,945)	(28,480)
Purchase of investment property	(1,337)	0
Accretion of interests in a subsidiary	(500)	(2,100)
Net cash used in investing activities	<u>(4,774)</u>	<u>(30,292)</u>
Cash flows from financing activities		
Dividends paid	(3,607)	(9,017)
Proceeds from short term bank borrowings	0	4,292
Repayments of short term bank borrowings	(1,808)	0
Repayments of interest on term loans	(361)	(424)
Repayments of lease liabilities	(196)	(230)
Net cash used in financing activities	<u>(5,972)</u>	<u>(5,379)</u>
Net increase / (decrease) in cash and cash equivalents	5,872	(12,534)
Effect of exchange rate changes on cash and cash equivalents	116	72
Cash and cash equivalents at beginning of the financial period	<u>47,116</u>	<u>63,322</u>
Cash and cash equivalents at end of the financial period	<u>53,104</u>	<u>50,860</u>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTHS ENDED 30 SEPTEMBER 2022 (Continued)**

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

	As at 30.09.22 RM'000	As at 30.09.21 RM'000
Cash and bank balances	1,632	2,566
Deposits with licensed banks	51,472	48,294
	<u>53,104</u>	<u>50,860</u>

Reconciliation of liabilities arising from financing activities

	Lease liabilities RM'000	Term loans RM'000	Short term bank borrowings RM'000
As at 1 January 2022	588	19,875	1,808
Cash flows			
- repayments	(196)	(361)	(1,808)
Non-cash flows			
- addition of lease liabilities	67	0	0
- unwinding of interest	11	372	0
- effect of modification of lease term	(134)	0	0
As at 30 September 2022	<u>336</u>	<u>19,886</u>	<u>0</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 2021)



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 2021.

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 2021.

The Group had adopted the following Amendments to Standards, with a date of initial application of 1 January 2022.

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*

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:

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*

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*

Amendments to MFRS 112 *Income Taxes*

Amendments to MFRS 17 *Insurance Contracts- Initial Application of MFRS 17 and MFRS 9 - Comparative Information*

Amendments to MFRS 16 *Leases - Lease liability in a Sale and Leaseback*

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

A3. Seasonal and Cyclical factors

Other than solar and renting of properties 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 2022 has been paid on 31 March 2022.



NOTES TO THE INTERIM FINANCIAL REPORT

A8. Other Operating Income

	Current Quarter 30.09.2022 RM'000	9 months Cumulative 30.09.2022 RM'000
Interest income	461	733
Rental income	189	334
Transportation charges	843	3,461
Total other operating income	<u>1,493</u>	<u>4,528</u>

A9. Operating Expenses

	Current Quarter 30.09.2022 RM'000	9 months Cumulative 30.09.2022 RM'000
Depreciation of property, plant and equipment	408	1,238
Depreciation of investment properties	668	1,995
Salaries, allowances and bonus	2,307	6,934
Transportation	2,286	8,268
General repairs and maintenance	380	1,414
Depreciation of right-of-use assets	70	216
Reversal of Impairment losses on receivables	(411)	(82)
Others	1,235	3,503
Total operating expenses	<u>6,943</u>	<u>23,486</u>

A10. Finance costs

	Current Quarter 30.09.2022 RM'000	9 months Cumulative 30.09.2022 RM'000
Interest on term loans	125	372
Interest on lease liabilities	3	11
Interest on foreign currency trust receipt	0	7
Others	2	6
Total finance costs	<u>130</u>	<u>396</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 and renting of properties.

The Group has arrived at three (3) 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.

(iii) Renting of Properties

Rental income from investment properties



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting (Cont'd)

	<u>PVC</u> RM'000	<u>Solar</u> RM'000	* <u>Renting of</u> <u>Properties</u> RM'000	<u>Group</u> RM'000
1 July 2022 to 30 September 2022				
Revenue				
Total revenue	45,876	450	1,944	48,270
Elimination	(8,071)	0	0	(8,071)
Revenue from external customers	37,805	450	1,944	40,199
Results				
Segment results	956	133	572	1,661
Other operating income	1,470	4	19	1,493
Finance costs	(5)	(23)	(102)	(130)
Profit before tax	2,421	113	490	3,024
Income tax expense	(32)	0	0	(32)
Profit for the period	2,389	113	490	2,992
Assets	188,391	24,383	105,334	318,108
Liabilities	16,485	6,530	28,212	51,227
1 July 2021 to 30 September 2021				
Revenue				
Total revenue	49,827	454	1,660	51,941
Elimination	(9,617)	0	0	(9,617)
Revenue from external customers	40,210	454	1,660	42,324
Results				
Segment results	1,111	107	393	1,611
Other operating income	1,805	24	89	1,918
Finance costs	(18)	(5)	(17)	(40)
Profit before tax	2,898	127	464	3,489
Income tax expense	(734)	0	0	(734)
Profit for the period	2,164	127	464	2,755
Assets	178,874	24,794	107,110	310,778
Liabilities	29,517	4,578	19,777	53,872
1 January 2022 to 30 September 2022				
Revenue				
Total revenue	175,796	1,216	5,510	182,522
Elimination	(33,038)	0	0	(33,038)
Revenue from external customers	142,758	1,216	5,510	149,484
Results				
Segment results	7,699	224	1,014	8,937
Other operating income	4,490	7	31	4,528
Finance costs	(24)	(67)	(305)	(396)
Profit before tax	12,165	164	740	13,069
Income tax expense	(2,698)	0	0	(2,698)
Profit for the period	9,467	164	740	10,371
Assets	187,732	23,571	106,805	318,108
Liabilities	25,130	4,718	21,379	51,227



NOTES TO THE INTERIM FINANCIAL REPORT

A11. Segmental Reporting (Cont'd)

	<u>PVC</u> RM'000	<u>Solar</u> RM'000	* <u>Renting of</u> <u>Properties</u> RM'000	<u>Group</u> RM'000
1 January 2021 to 30 September 2021				
Revenue				
Total revenue	166,587	1,414	4,980	172,981
Elimination	(32,702)	0	0	(32,702)
Revenue from external customers	<u>133,885</u>	<u>1,414</u>	<u>4,980</u>	<u>140,279</u>
Results				
Segment results	12,063	158	820	13,041
Other operating income	5,682	1	3	5,686
Finance costs	(30)	(53)	(276)	(359)
Profit before tax	<u>17,715</u>	<u>106</u>	<u>547</u>	<u>18,368</u>
Income tax expense	(4,443)	0	0	(4,443)
Profit for the period	<u>13,272</u>	<u>106</u>	<u>547</u>	<u>13,925</u>
Assets	<u>182,967</u>	<u>21,079</u>	<u>109,346</u>	<u>313,392</u>
Liabilities	<u>29,461</u>	<u>4,003</u>	<u>20,764</u>	<u>54,228</u>

* Comparative figures of the Renting of Properties segment have been reclassified to conform with the current period's presentation of the segmental information of the Group.

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 2021.

A13. Subsequent Events

There were no material events between the end of the reporting quarter and the date of this announcement.

A14. Changes In The Composition of The Group

As at 25 April 2022, TS Solartech, was a 57.36% owned subsidiary of TSHB. On 26 April 2022, pursuant to the ordinary shares purchased from non-controlling interest of TS Solartech, TSHB's equity interest in TS Solartech had been increased to 57.88% and whereas non-controlling shareholders' shareholdings had been reduced from 42.64% to 42.12%. TS Solartech does not have any subsidiary or associate company.

A15. Contingent Liabilities

	30.09.2022 RM'000
Secured corporate guarantees given to licensed banks for facilities granted to subsidiaries	23,660
Unsecured corporate guarantees given to suppliers of subsidiaries	<u>4,641</u>
	<u>28,301</u>

A16. Capital Commitments

There were no material capital commitments in respect of property, plant and equipment for the interim financial statements as at 30 September 2022.



NOTES TO THE INTERIM FINANCIAL REPORT

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

B1. Review of Performance

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

	Current Quarter 3 months ended		Changes + / -		Cumulative Quarter 9 months ended		Changes + / -	
	30.09.22 RM'000	30.09.21 RM'000			30.09.22 RM'000	30.09.21 RM'000		
			RM'000	%	RM'000	RM'000	RM'000	%
Revenue	40,199	42,324	(2,125)	(5.02)	149,484	140,279	9,205	6.56
Gross profit	8,604	9,091	(487)	(5.36)	32,423	33,725	(1,302)	(3.86)
Profit before interest and tax	2,693	3,251	(558)	(17.16)	12,732	17,994	(5,262)	(29.24)
Profit before tax	3,024	3,489	(465)	(13.33)	13,069	18,368	(5,299)	(28.85)
Profit for the period	2,992	2,755	237	8.60	10,371	13,925	(3,554)	(25.52)
Profit attributable to owners of the parent	2,769	2,503	266	10.63	10,010	13,647	(3,637)	(26.65)

a) Current Year-to date vs. Previous Year-to-date

For the period ended 30 September 2022, the Group recorded a revenue of RM149.5 million while profit before tax was recorded at RM13.1 million. The major contributor of the Group's revenue was from PVC segment for the period ended 30 September 2022. When compared to corresponding period of 30 September 2021, the revenue was recorded at RM140.3 million while profit before tax was recorded at RM18.4 million.

Performance of the respective operating business segments for the period ended 30 September 2022 as compared to the previous year corresponding period is analysed as follows:-

- PVC - The decrease in profit before tax by RM5.5 million from RM17.7 million to RM12.2 million was mainly due to higher materials costs, operating costs and lower other operating income.
- Solar - The slightly increase in profit before tax by RM58,000 from RM106,000 to RM164,000 was mainly due to lower loss on disposal of property, plant and equipment during the financial period.
- Renting of properties - The increase in profit before tax by RM193,000 from RM547,000 to profit before tax RM740,000 was mainly due to rent out the extra space to existing tenants.

b) Current Quarter vs. Previous Year Corresponding Quarter

For the current quarter, the Group recorded a revenue of RM40.2 million while profit before tax was recorded at RM3.0 million. When compared to corresponding quarter of 30 September 2021, the revenue was recorded at RM42.3 million while profit before tax was recorded at RM3.5 million.

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

- PVC - The decrease in profit before tax by RM0.5 million from RM2.9 million to RM2.4 million was mainly due to higher materials costs, operating costs and lower other operating income.
- Solar - The decrease in profit before tax by RM14,000 from RM127,000 to RM113,000 was mainly due to decrease of sale of solar energy and increase of finance costs.
- Renting of properties - The increase in profit before tax by RM26,000 from RM464,000 to RM490,000 was mainly due to rent out the extra space to existing tenants.

B2. Variation of Results Against Preceding Quarter

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

	Current Quarter 01.07.22-30.09.22	Preceding Quarter 01.04.22-30.06.22	Changes	
	RM'000	RM'000	RM'000	%
Revenue	40,199	52,848	(12,649)	(23.93)
Gross profit	8,604	11,458	(2,854)	(24.91)
Profit before interest and tax	2,693	3,987	(1,294)	(32.46)
Profit before tax	3,024	3,990	(966)	(24.21)
Profit for the period	2,992	2,862	130	4.54
Profit attributable to owners of the parent	2,769	2,783	(14)	(0.50)



NOTES TO THE INTERIM FINANCIAL REPORT

B2. Variation of Results Against Preceding Quarter (Cont'd)

The Group revenue decreased by RM12.6 million in the current quarter, representing 23.9% decrease from RM52.8 million in the preceding quarter due to lower revenue contributed by the PVC segments.

The Group's profit before tax for the current quarter is RM3.0 million compared to profit before tax RM4.0 million as recorded in the preceding quarter. This was mainly due to lower revenue and higher purchase costs in the current quarter of 2022.

B3. Prospects

The Board of Directors foresees the performance of the Group for 2022 to be very challenging for its PVC business due to the fluctuation in the price of raw materials and foreign currency. The strong USD will increase our materials cost, operating cost and dampen demand locally. High inflation rate is proved to be affecting the purchasing powers of consumers. The increased in cost of livings and reduced purchasing power may cause the market demand to be weak in general. The challenges which include strict containment measures in China, the ongoing military conflicts in Ukraine, as well as prolonged supply-related disruptions weighed down on the global economy.

However, following the re-opening of the national borders from 1 April 2022 and relaxation of quarantine requirements in Malaysia and other countries, we are expecting more demand for PVC products in certain regions. As we do export 50% of our products, high USD may allow us to further increase our export sales in 2022. On a brighter note, the Group has recently received a new batch of foreign workers, with more to arrive in the coming months. The additional labour force will help to fulfill orders from key customers that have remained robust. The Group will be more cautious in managing our incoming supplies for 2022 as well as taking cautious approaches to mitigate the exposure by improving its operational efficiency, product quality and product innovation. The Group will also monitor its financial aspect closely to make sure cash flow is not disrupted. As for global markets, the Group is also actively looking to explore new regions.

With Malaysia facing election and drastic currency depreciation, domestic market has taken a toil and it may require a longer timeframe to allow the economy to recover. Continuous interest rate hike and depreciating currency have prove to be a stumbling stock for consumers to retain their purchasing power.

For the industrial land acquired on August 2021, the Group is looking to set up a new warehouse, factory and a worker's dormitory. The Group is also looking to restructure our current manufacturing facilities in order to provide leaner and more efficient way of operation. Currently, the industrial land still subject to approval of amalgamation from Authorities.

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

B4. Variance of Actual and Forecast Revenue

Not applicable.

B5. Income Tax Expense

	Current Quarter	9 months
	30.09.22	Cumulative
	RM'000	30.09.22
		RM'000
Current tax expense		
- current	536	3,330
- prior years	(434)	(434)
Deferred tax expense		
- Origination and reversal of temporary differences	(70)	(198)
Total tax expense	<u>32</u>	<u>2,698</u>

The Group's effective tax rate for the current period differs from the statutory tax rate due to others tax allowances by subsidiaries.

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 30.09.2022 RM'000	At end of previous financial year 31.12.2021 RM'000
Trade receivables	22,920	29,142
Less : Impairment losses	<u>(513)</u>	<u>(595)</u>
	<u>22,407</u>	<u>28,547</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 30.09.2022 RM'000	At end of previous financial year 31.12.2021 RM'000
Not past due	11,683	16,893
Past due		
1 to 30 days	6,971	9,266
31 to 60 days	2,537	1,733
61 to 90 days	1,102	774
More than 91 days	627	476
	<u>11,237</u>	<u>12,249</u>
	22,920	29,142
Impairment	<u>(513)</u>	<u>(595)</u>
	<u>22,407</u>	<u>28,547</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 30.09.2022		
	Short term RM'000	Long term RM'000	Total RM'000
Secured			
Term loans	0	19,886	19,886
	<u>0</u>	<u>19,886</u>	<u>19,886</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).



NOTES TO THE INTERIM FINANCIAL REPORT

B13. 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.

	Individual Current Quarter 30.09.22	9 Months Cumulative To Date 30.09.22
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	<u>2,769</u>	<u>10,010</u>
Weighted average number of ordinary shares in issue ('000)	<u>358,450</u>	<u>358,450</u>
Basic Earnings Per Share based on weighted average number of ordinary shares in issue (sen)	<u>0.77</u>	<u>2.79</u>

(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.

B14. 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.

B15. 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 third quarter ended 30 September 2022 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 : 22 November 2022