

**PETERLABS HOLDINGS BERHAD (Registration No: 201001025806 (909720-W))**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 September 2021 RM'000	Preceding Period Corresponding Quarter Ended 30 September 2020 RM'000	Current Period To Date Ended 30 September 2021 RM'000	Preceding Period To Date Ended 30 September 2020 RM'000
<b>Revenue</b>	46,608	20,149	141,932	61,054
Cost of sales	(40,801)	(16,308)	(123,220)	(49,618)
<b>Gross profit</b>	5,807	3,841	18,712	11,436
Other income	805	1,065	1,510	1,899
Selling and distribution expenses	(687)	(583)	(2,707)	(1,805)
Administration expenses	(3,083)	(2,462)	(10,593)	(6,767)
Other expenses	(397)	(8)	(646)	(244)
<b>Operating profit</b>	2,445	1,853	6,276	4,519
Finance cost	(191)	(60)	(711)	(225)
<b>Profit before tax</b>	2,254	1,793	5,565	4,294
Tax expense	(626)	(565)	(1,436)	(1,391)
<b>Profit for the period</b>	1,628	1,228	4,129	2,903
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	1,628	1,228	4,129	2,903
Total comprehensive income attributable to the Owners of the Company	1,547	1,228	3,779	2,903
Non-controlling interests	81	-	350	-
	1,628	1,228	4,129	2,903
Weighted average no. of ordinary shares in issue ('000)	275,214	223,143	273,214	217,561
Earnings per share (sen):				
-Basic	0.56	0.55	1.38	1.33

## Note:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended ("FYE") 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**PETERLABS HOLDINGS BERHAD (Registration No: 201001025806 (909720-W))**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

	<b>Unaudited As at 30 September 2021 RM'000</b>	<b>Audited As at 31 December 2020 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,630	15,345
Goodwill on consolidation	7,737	-
	<u>25,367</u>	<u>15,345</u>
<b>Current assets</b>		
Inventories	17,801	10,032
Trade receivables	45,717	21,669
Other receivables	2,692	2,033
Tax recoverable	16	36
Cash and bank balances	21,749	24,313
	<u>87,975</u>	<u>58,083</u>
<b>TOTAL ASSETS</b>	<u><u>113,342</u></u>	<u><u>73,428</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	40,401	31,821
Unappropriated profits	30,316	26,537
	<u>70,717</u>	<u>58,358</u>
Non-controlling interests	2,912	-
<b>Total equity</b>	<u>73,629</u>	<u>58,358</u>
<b>Non-current liabilities</b>		
Lease liabilities	1,961	990
Borrowings	1,338	-
Deferred tax liabilities	791	640
	<u>4,090</u>	<u>1,630</u>
<b>Current liabilities</b>		
Trade payables	6,610	3,423
Other payables	7,956	5,751
Lease liabilities	784	496
Borrowings	19,805	3,769
Tax payable	468	1
	<u>35,623</u>	<u>13,440</u>
<b>Total liabilities</b>	<u>39,713</u>	<u>15,070</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>113,342</u></u>	<u><u>73,428</u></u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	25.70	24.71

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2020.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2021**

	<b>Attributable to Equity Holders of the Company</b>				
	<b>Non-Distributable Share Capital RM'000</b>	<b>Distributable Unappropriated Profits RM'000</b>	<b>Total RM'000</b>	<b>Non-controlling Interest RM'000</b>	<b>Total Equity RM'000</b>
At 1 January 2021	31,821	26,537	58,358	-	58,358
Issuing of 39,000,000 shares @ RM0.22 per unit	8,580	-	8,580	-	8,580
Acquisition of subsidiary	-	-	-	2,562	2,562
Total comprehensive income for the financial period	-	3,779	3,779	350	4,129
At 30 September 2021 (Unaudited)	<u>40,401</u>	<u>30,316</u>	<u>70,717</u>	<u>2,912</u>	<u>73,629</u>
At 1 January 2020	27,459	25,011	52,470	-	52,470
Total comprehensive income for the financial period	-	2,903	2,903	-	2,903
Proceeds from private placement (Net)	4,362	-	4,362	-	4,362
Dividend of RM 0.01 per share in respect of financial year ended 31 December 2020 payable on 9 October 2020	-	(2,362)	(2,362)	-	(2,362)
At 30 September 2020 (Unaudited)	<u>31,821</u>	<u>25,552</u>	<u>57,373</u>	<u>-</u>	<u>57,373</u>

Note:

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2020.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	<b>Current Period To Date Ended 30 September 2021 (Unaudited) RM'000</b>	<b>Preceding Year Corresponding Period Ended 30 September 2020 (Unaudited) RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before tax	5,565	4,294
Adjustments for:-		
- Non cash items	1,982	1,231
- Non-operating items	800	(177)
<b>Operating profit before working capital changes</b>	<b>8,347</b>	<b>5,348</b>
Changes in working capital		
Inventories	3,323	4,437
Receivables	(5,691)	3,332
Payables	(743)	565
Bill payables	(4,819)	(665)
<b>Cash generated from operations</b>	<b>417</b>	<b>13,017</b>
Tax expense paid	(995)	(1,047)
Interest received	306	265
Interest paid	(94)	(87)
<b>Net cash (used in)/ from operating activities</b>	<b>(366)</b>	<b>12,148</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(234)	(217)
Acquisition of equity interest in a subsidiary co	1,701	-
Proceed from disposal of property, plant and equipment	15	173
<b>Net cash from/ (used in) investing activities</b>	<b>1,482</b>	<b>(44)</b>
<b>FINANCING ACTIVITIES</b>		
Dividend paid	-	(2,362)
Proceeds from private placement (Net)	-	4,362
Repayment of revolving credit	(2,000)	(700)
Interest paid	(617)	(138)
Repayment of term loans	(15)	(410)
Repayment of lease liabilities	(1,140)	(463)
<b>Net cash (used in)/ from financing activities</b>	<b>(3,772)</b>	<b>289</b>
<b>Net changes in cash and cash equivalents</b>	<b>(2,656)</b>	<b>12,393</b>
<b>Effect of exchange rate changes</b>	<b>92</b>	<b>(29)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>24,313</b>	<b>14,775</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>21,749</b>	<b>27,139</b>

Note:

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the FYE 31 December 2020.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021

**A: EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (MFRS 134): INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements (“ACE LR”).

The interim financial statements should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

**A2. Significant accounting policies**

Significant accounting policies adopted by the Group in these interim financial statements are consistent with those of the audited financial statements for the FYE 31 December 2020 except for the adoption of the following Amendments to MFRSs during the current financial period:-

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 Definition of a Business
- Amendments to MFRS 101 and MFRS 108 Definition of Material
- Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform
- Amendments to MFRS 16 Leases Covid-19 – Related Rent Concessions

The adoption of these Amendments to MFRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on these interim financial statements.

As at the date of authorisation of these interim financial statements, the following amendments to MFRSs which were in issue but not yet effective and have not been early adopted by the Group:-

<b>Amendments to MFRSs</b>		<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116	Property, Plant and Equipment Proceeds before Intended Use	1 January 2022
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Income Taxes	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between on Investor and its Associate or Joint Venture	Yet to be confirmed

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021 (CONT'D)

**A2. Significant accounting policies (Cont'd)**

The adoption of these amendments to MFRSs are not expected to have any material financial impact on the financial statements of the Group in the period of initial application.

**A3. Auditors' report**

There was no qualification on the Audited Financial Statements of the Group for the FYE 31 December 2020.

**A4. Seasonal or cyclical factors**

The operations of the Group were not significantly affected by seasonal or cyclical factors during the current financial quarter under review and current period-to-date.

**A5. Items of unusual nature and amount**

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 for the quarter under review and current period-to-date.

**A6. Material changes in estimates**

There were no changes in estimates that had a material effect in the current quarter and period-to-date results.

**A7. Profit for the period**

Profit for the current quarter and period-to-date ended 30 September 2021 is arrived at after charging / (crediting), amongst other items, the following:-

	<i>Quarter Ended</i>	<i>Period To Date Ended</i>
	30.09.2021 RM'000	30.09.2021 RM'000
Other income including investment income	(663)	(1,093)
Interest income	(93)	(306)
Expected credit losses on trade receivables (net)	79	154
Gain on disposal of property, plant and equipment	(16)	(16)
Reversal of inventories written down	-	(3)
Interest expense	191	711
Depreciation	484	1,706
Net realised foreign exchange loss	65	237
Net unrealised foreign exchange gain	(37)	(92)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021 (CONT'D)

**A8. Segmental information**

The Group is organised into the following operating segments:-

- a) Trading
- b) Manufacturing

Quarter ended 30 September 2021	Trading RM'000	Manufacturing RM'000	Eliminations RM'000	Consolidated RM'000
Revenue from External customers	45,441	1,167	-	46,608
Inter-segment revenue	1,145	6,749	(7,894)	-
<b>Total revenue</b>	46,586	7,916	(7,894)	46,608
<b>Profit before tax</b>	1,701	553	-	2,254
Tax expense				(626)
<b>Profit for the period</b>				1,628

Period to Date ended 30 September 2021	Trading RM'000	Manufacturing RM'000	Eliminations RM'000	Consolidated RM'000
Revenue from External customers	138,286	3,646	-	141,932
Inter-segment revenue	3,196	19,281	(22,477)	-
<b>Total revenue</b>	141,482	22,927	(22,477)	141,932
<b>Profit before tax</b>	4,132	1,433	-	5,565
Tax expense				(1,436)
<b>Profit for the period</b>				4,129

**A9. Valuation of property, plant and equipment**

There was no valuation of the property, plant and equipment in the current quarter under review.

**A10. Capital commitments**

There was no capital commitment as at date of this announcement.

**A11. Material subsequent events**

There were no material events subsequent to the reporting date up to the date of this report.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

NOTES TO THE INTERIM REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021 (CONT'D)

**A12. Changes in composition of the Group**

1 January 2021, our Group has acquired 60% equity interest in Thye On Tong Trading Sdn Bhd (“TOT”), TOT was incorporated on 31 December 1979 in Malaysia as a private limited company under the Companies Act, 1965.

**A13. Contingent liabilities or contingent assets**

	Company	
	As at 30/09/2021	As at 31/12/2020
	RM'000	RM'000
Corporate guarantee given by the Company to financial institutions for credit facilities granted to Subsidiaries		
- Utilised	21,143	3,769
- Limit	44,253	21,897

**A14. Significant related party transactions**

Save as disclosed in the Audited Financial Statements for the FYE 31 December 2020, there were no other significant related party transactions for the current quarter under review.

**A15. Issuances, cancellations, repurchase, resale and repayment of debt and equity**

There were no issuance or repayment of debt and equity securities, share buy-back, share cancellations, share held as treasury shares and resale of treasury shares during the quarter and financial period under review.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B: ADDITIONAL INFORMATION PURSUANT TO THE ACE LR**

**B1. Review of performance**

	3QFY21	3QFY20	Variance	FY2021	FY2020	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	46,608	20,149	131.32%	141,932	61,054	132.47%
Operating Profit	2,445	1,853	31.95%	6,276	4,519	38.88%
Profit Before Interest And Tax	2,445	1,853	31.95%	6,276	4,519	38.88%
Profit Before Tax	2,254	1,793	25.71%	5,565	4,294	29.60%
Profit After Tax	1,628	1,228	32.57%	4,129	2,903	42.23%
Profit Attributable to Ordinary Equity Holders Of The Parent	1,547	1,228	25.98%	3,779	2,903	30.18%

The Group registered RM46.608 million revenue for the current quarter which represents increase of RM26.459 million or 131.32% as compared to the revenue of RM20.149 million in the previous period's corresponding quarter. The Group registered profit before tax of RM2.254 million for the quarter under review which represents increase of RM0.461 million or 25.71% as compared to the Group's profit before tax of RM1.793 million reported in the previous period's corresponding quarter. Profit before tax increased due to increased in revenue from the subsidiary but also the revenue generated from new entered subsidiary.

For the current quarter, trading segment registered revenue of RM45.441 million from the external customers and RM1.145 million from inter-company transactions and reported profit before tax of RM1.701 million for the quarter under review. In the previous period's corresponding quarter, the group achieved revenue of RM18.529 million from the external customers and RM0.769 million from inter-company transactions and reported profit before tax of RM1.305 million for the trading segment. The increase in profit before tax for the trading segment for the current quarter was mainly due to higher revenue achieved.

The manufacturing segment registered revenue of RM1.167 million from the external customers and RM6.749 million from inter-company transactions and reported profit before tax of RM0.553 million for the quarter under review. In the previous period's corresponding quarter, the Group achieved revenue of RM1.620 million from external customers and RM5.909 million from inter-company transactions and reported profit before tax of RM0.488 million for the manufacturing segment. The increase in profit before tax for the manufacturing segment for the current quarter was mainly due to higher gross profit margin achieved coupled with lower operating expenses incurred.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B2. Material changes in the current quarter's results compared to the results of the immediate preceding quarter**

	3QFY21	2QFY21	Variance
	RM'000	RM'000	%
Revenue	46,608	46,368	0.52%
Operating Profit	2,445	1,482	64.98%
Profit Before Interest And Tax	2,445	1,482	64.98%
Profit Before Tax	2,254	1,288	75.00%
Profit After Tax	1,628	1,005	61.99%
Profit Attributable to Ordinary Equity Holders Of The Parent	1,547	892	73.43%

For the quarter under review, the Group registered increase in revenue of 0.52% from RM46.368 million to RM46.608 million and increase in profit before tax of 75.00% from RM1.288 million to RM2.254 million as compared to preceding quarter ended 30 June 2021. The increase in profit before tax was mainly attributable to lower operation expenses incurred coupled with higher revenue achieved. For the current quarter, trading segment achieved revenue of RM45.441 million and profit before tax of RM1.701 million as compared to revenue of RM45.196 million and profit before tax of RM0.809 million in the previous quarter, whilst the manufacturing segment achieved revenue of RM1.167 million and reported profit before tax of RM0.553 million as compared to revenue of RM1.172 million and profit before tax of RM0.479 million in the previous quarter.

**B3. Prospects**

While the performance of the Group has been relatively resilient for the current financial year, the Group remains cautious given the challenging market conditions and ongoing global uncertainties due to the pandemic. It foresees that the environment will remain challenging moving forward. Given that this is the new normal, the Group does not expect the market to return to pre-pandemic conditions in the short term.

Taking into consideration that the Malaysian economy is on a recovery path supported by the gradual reopening of more economic sectors in the fourth quarter of 2021, the Group is prepared to refine its product pricing to cushion its businesses against cost pressures including further increase in commodity prices and other raw materials.

The Group will continue to focus on the health and safety of its employees and customers alike while ensuring the sustainability of its operations in the short-term as well as the long-term.

The established business and positive historical financial performance of new subsidiary, TOT, the Board of Directors ("Board") expects that TOT will be continuous to contribute positively to the future earnings of the PLABS Group.

**B4. Profit forecast**

No profit forecast has been issued by the Group previously in any public document.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B5. Tax expense**

	<b>Current quarter ended 30.09.2021 RM'000</b>	<b>Current period-to-date 30.09.2021 RM'000</b>
Income tax		
-Current period	502	1,319
-Deferred taxation	124	117
	626	1,436

The Group's effective tax rate for the current quarter is higher than the statutory rate mainly due to certain expenses not deductible for tax purposes.

**B6. Profit from sale of unquoted investments and/or properties**

There was no disposal of unquoted investments or properties for the current quarter under review.

**B7. Quoted securities**

There was no acquisition and/or disposal of quoted securities for the current quarter under review.

**B8. Status of corporate proposals**

Save as disclosed below, there were no other corporate proposals announced but not completed as at the date of this report:-

- a) On 13 July 2020, Alliance Investment Bank Berhad ("AIBB") had, on behalf of the Board, announced that the Company proposes to undertake a private placement of up to 21,473,990 new ordinary shares in PeterLabs Holdings Berhad ("PHB"), representing approximately ten percent (10%) of the total number of issued shares of PHB ("Proposed Private Placement")

Further to the above, on 14 July 2020 AIBB had, on behalf of the Board, announced that the additional listing application for the listing of and quotation for the Placement Shares to be issued pursuant to the Proposed Private Placement has been submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") on 14 July 2020.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B8. Status of corporate proposals (Cont'd)**

In addition to that, on 21 July 2020, AIBB had on behalf of the Board provided additional information in relation to the utilisation of proceeds from the Proposed Private Placement as follows:

<b>Details of utilisation</b>	<b>RM'000</b>	<b>Estimated timeframe for utilisation (from the date of listing of the Placement Shares)</b>
Investment in new business	3,000	Within 12 months
Working capital	1,165	Within 12 months
Estimated expenses in relation to the Proposed Private Placement	130	Upon completion of the Proposed Private Placement
Total gross proceeds raised from the Proposed Private Placement	<u>4,295</u>	

In addition to that, on behalf of the Board, AIBB announced on 23 July 2020 that the Bursa Securities had approved up to 21,473,990 Placement Shares to be issued pursuant to the Proposed Private Placement subject to the following conditions:

- (i) PHB and AIBB must fully comply with the relevant provisions under the ACE LR pertaining to the implementation of the Proposed Private Placement;
- (ii) PHB and AIBB to inform Bursa Securities upon the completion of the Proposed Private Placement; and
- (iii) PHB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed.

In addition to that, on behalf of the Board, AIBB announced on 19 August 2020 that the Board had fixed the issue price for the entire 21,473,990 Placement Shares ("Issue Price") at RM0.2060 per share. The Issue Price represents a discount of RM0.0225 or approximately 9.85% to the 5-day volume weighted average market price of the PHB Shares up to and including 18 August 2020, being the last market day immediately preceding the Price-Fixing Date of RM0.2285 per PHB Share.

In addition to that, on behalf of the Board, AIBB announced on 26 August 2020 that the Private Placement has been completed following the listing of and quotation for the entire 21,473,990 Placement Shares on the ACE Market of Bursa Securities.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B8. Status of corporate proposals (Cont'd)**

The gross proceeds of RM4.424 million from the private placement exercise which was completed on 26 August 2020 have been utilised in the following manner:-

Purposes	Proposed utilisation *	Actual proceeds raised #	Actual utilisation	Balance to be utilised		Estimated timeframe for the utilisation of proceeds (from the date of listing of the Placement Shares)
	RM'000	RM'000	RM'000	RM'000	%	
Investment in new business	3,000	3,000	3,000	-	-	Within 12 months
Working capital	1,165	1,294	-	1,294	100.00%	Within 12 months
Estimated listing expenses	130	130	62	68	52.31%	The surplus shall be adjusted to be allocated for working capital.
	<b>4,295</b>	<b>4,424</b>	<b>3,062</b>	<b>1,362</b>	<b>30.79%</b>	

Notes:

\* As per announcement dated 21 July 2020

# As per announcement dated 26 August 2020

- b) On behalf of the Board, AIBB announced on 22 July 2020 that the Company proposes to undertake:-
- (i) the proposed acquisition of 60% equity interest in TOT from the Vendors for a purchase consideration of RM10,800,000 to be satisfied via combination of Cash Consideration and issuance of the Consideration Shares; and
  - (ii) the proposed diversification of the existing business of the Group to include the distribution of consumer goods in conjunction with the Proposed Acquisition.

The Proposals are subject to the following approvals being obtained from the following parties

- (i) Bursa Securities for the listing of and quotation for the Consideration Shares on the ACE Market of Bursa Securities, in relation to the Proposed Acquisition;
- (ii) the shareholders of the Company for the issuance of the Consideration Shares at an Extraordinary General Meeting to be convened, in relation to the Proposed Acquisition;
- (iii) the shareholders of the Company for the Proposed Diversification; and
- (iv) any other relevant authorities, if required.

The Proposed Acquisition and the Proposed Diversification are inter-conditional. However, the Proposals are not conditional upon any other corporate exercise undertaken or to be undertaken by the Company.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B8. Status of corporate proposals (Cont'd)**

- c) On behalf of the Board, AIBB announced on 14 August 2020 that the additional listing application for the listing of and quotation for the Consideration Shares to be issued pursuant to the Proposed Acquisition has been submitted to Bursa Securities on 14 August 2020.
- d) On behalf of the Board, AIBB announced on 2 September 2020 that pursuant to Rule 10.02(g) of the Listing Requirements, the highest percentage ratio applicable to the Proposed Acquisition is 31.31% calculated based on the audited total assets of TOT compared with the audited total assets of the Group.

On 28 September 2020, PHB shareholders have approved the Proposed Acquisition and the Proposed Diversification with 100% of voted shares accepted.

- e) On behalf of the Board, AIBB announced on 4 January 2021 that PHB and the Vendors had on 1 January 2021 agreed to waive one of the conditions precedent in the SSA (“CP Waiver”), which is set out as follow:-

The execution of sale and purchase agreements for the sale of the following properties (“Properties”) at the agreed purchase price of RM1,800,000 to Datuk Loh Saw Foong and Datin Lin Ching Yein and/or such investment holding company as may be nominated by them (“SPAs”) and the fulfillment of all conditions precedent to the SPAs for the Properties:-

- property held under land title Geran 71175, Lot 1143 including buildings thereon erected with postal address of No. 13, Jalan Yam Tuan, 70000 Seremban, Negeri Sembilan and No. 14, Jalan Siow Loong Hin, 70000 Seremban, Negeri Sembilan;
- property held under land title Geran 148866, Lot 9009 including buildings thereon erected with postal address of No. 27, Jalan Lombong Emas 4, Seremban Light Industrial Park, Jalan Tun Dr. Ismail, 70200 Seremban, Negeri Sembilan;
- property held under land title Geran 148867, Lot 9010 including buildings thereon erected with postal address of No. 29, Jalan Lombong Emas 4, Seremban Light Industrial Park, Jalan Tun Dr. Ismail, 70200 Seremban, Negeri Sembilan; and
- property held under land title Geran 179040, Lot 14008 including buildings thereon erected with postal address of No. 157, Jalan Bukit Intan 4, Taman Bukit Intan, Off Jalan Labu, 70200 Seremban, Negeri Sembilan,

(referred to as the “Said CP”).

In view that the parties to the SPAs in respect of the Properties will require more time to complete the transactions, the Company has agreed to allow for the completion of the SSA despite the non-fulfilment of the Said CP with the undertaking from each of the Vendors that SPAs will be completed within 60 days from 1 January 2021 unless otherwise mutually agreed by the Company and the Vendors (“Undertaking”) with all costs and expenses with respect to the transfer of Properties pursuant to the SPAs to be borne by the Vendors.

The Vendors each irrevocably and unconditionally agree to fully indemnify and keep the Purchaser fully indemnified in the event of breach of the Undertaking.

Pursuant to the CP Waiver, PHB and the Vendors have mutually agreed and confirmed that all the conditions precedent to the SSA have been fulfilled. Accordingly, the SSA has become unconditional.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B8. Status of corporate proposals (Cont'd)**

- (f) On behalf of the Board, AIBB announced on 15 January 2021 that the Proposed Acquisition has been completed following the listing of and quotation for the 39,000,000 Consideration Shares on the ACE Market of Bursa Securities in accordance with the terms of the SSA.

**B9. Group borrowings and debts securities**

The Group's borrowings as at 30 September 2021 were as follows:-

	<b>Secured</b> <b>RM'000</b>	<b>Unsecured</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b><u>Short term borrowings:</u></b>			
Lease liabilities - (Finance)	-	315	315
Bank borrowings	19,805	-	19,805
Total	<u>19,805</u>	<u>315</u>	<u>20,120</u>
	<b>Secured</b> <b>RM'000</b>	<b>Unsecured</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b><u>Long term borrowings:</u></b>			
Lease liabilities - (Finance)	-	496	496
Bank borrowings	1,338	-	1,338
Total	<u>1,338</u>	<u>496</u>	<u>1,834</u>

All the Group's borrowings are denominated in Ringgit Malaysia.

**B10. Off balance sheet financial instruments**

The Group does not have any financial instruments with off-balance sheet risk as at the date of this quarterly report.

**B11. Material litigation**

As at the date of this announcement, neither the Company nor any of its subsidiary companies is engaged in any material litigation and/or arbitration either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Directors are not aware of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company or its subsidiary companies.

**B12. Dividends**

- a) No interim dividend has been recommended for the financial quarter ended 30 September 2021.
- b) The directors declared an interim single-tier tax exempt dividend of 1 sen per ordinary share amounting to RM2.362 million, in respect of the financial year ended 31 December 2020. The interim dividend paid on 9 October 2020. Such dividend will accounted for in shareholders' equity as an appropriation of unappropriated profits in the financial year ended 31 December 2020.

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021 (CONT'D)

**B13. Earnings per share**

The basic earnings per share is calculated based on the Group's comprehensive income attributable to equity holders of the Company divided by the weighted average number of ordinary shares as follows:-

	<u>Quarter Ended</u>		<u>Period To Date Ended</u>	
	<u>30.09.2021</u>	<u>30.09.2020</u>	<u>30.09.2021</u>	<u>30.09.2020</u>
Comprehensive income attributable to owners of the Company (RM'000)	1,547	1,228	3,779	2,903
Weighted average number of ordinary shares in issue ('000)	275,214	223,143	273,214	217,561
Earnings per share (sen)				
- Basic	0.56	0.55	1.38	1.33

By Order of the Board  
PeterLabs Holdings Berhad  
Wong Yuet Chyn (MAICSA 7047163) (SSM PC 202008002451)  
Company Secretary  
Kuala Lumpur

Date: 30 November 2021