

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 30.9.2021 RM'000	(Audited) Preceding Year Quarter 30.9.2020 RM'000	(Unaudited) Current Year To Date 30.9.2021 RM'000	(Audited) Preceding Year To Date 30.9.2020 RM'000
Revenue	111,156	202,260	442,654	478,955
Cost of sales	(109,154)	(202,998)	(413,501)	(458,934)
Gross profit	2,002	(738)	29,153	20,021
Other operating income	480	798	2,934	1,529
Selling and administrative expenses	(6,764)	(8,718)	(22,158)	(30,280)
Profit/(Loss) from operations	(4,282)	(8,658)	9,929	(8,730)
Finance costs	(2,501)	(2,727)	(7,311)	(8,713)
Profit/(Loss) before tax	(6,783)	(11,385)	2,618	(17,443)
Income tax expense	(130)	(1,706)	81	(1,349)
Profit/(Loss) for the period	(6,913)	(13,091)	2,699	(18,792)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	(6,913)	(13,091)	2,699	(18,792)
Total comprehensive income/(loss) attributable to:				
• Owners of the parent	(7,917)	(13,897)	(7)	(21,195)
• Non-controlling interests	1,004	806	2,706	2,403
Earnings/(Loss) per share (Sen)				
• Basic	(1.14)	(2.00)	-	(3.05)
• Diluted	NA	NA	NA	NA

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

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

	(Unaudited) 30.9.2021	(Audited) 31.12.2020
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	63,758	73,439
Investment properties	7,890	7,652
Intangible assets	50,483	52,036
Financial receivables	129,569	131,870
Trade receivables	52,616	55,920
	<u>304,316</u>	<u>320,917</u>
Current assets		
Inventories	743	547
Trade and other receivables	257,859	287,245
Contract assets	11,864	27,857
Tax recoverable	5,332	3,323
Deposits with licensed financial institutions	48,203	40,346
Cash and bank balances	36,694	24,603
	<u>360,695</u>	<u>383,921</u>
TOTAL ASSETS	<u>665,011</u>	<u>704,838</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	194,031	194,031
Reverse acquisition reserve	(91,000)	(91,000)
Retained earnings	56,108	56,115
Total equity attributable to owners of the parent	<u>159,139</u>	<u>159,146</u>
Non-controlling interests	17,453	14,747
	<u>176,592</u>	<u>173,893</u>
Non-current liabilities		
Bank borrowings	130,640	130,428
Leases	8,406	15,892
Trade payables	29,198	25,046
Deferred tax liabilities	12,116	12,489
	<u>180,360</u>	<u>183,855</u>
Current liabilities		
Trade and other payables	165,376	227,865
Contract liabilities	48,655	53,624
Bank borrowings	83,979	55,087
Leases	10,049	10,514
Tax payables	-	-
	<u>308,059</u>	<u>347,090</u>
TOTAL LIABILITIES	<u>488,419</u>	<u>530,945</u>
TOTAL EQUITY AND LIABILITIES	<u>665,011</u>	<u>704,838</u>
Net assets per share attributable to owners of the parent (Sen)	<u>22.90</u>	<u>22.90</u>

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 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 SEPTEMBER 2021**

	ATTRIBUTABLE TO OWNERS OF THE PARENT				
	<u>Non-distributable</u>		<u>Distributable</u>		
	Share capital	Reverse acquisition reserve	Retained earnings	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2021	194,031	(91,000)	56,115	14,747	173,893
Total comprehensive income/(Loss) for the period	-	-	(7)	2,706	2,699
As at 30 September 2021	194,031	(91,000)	56,108	17,453	176,592
As at 1 January 2020	194,020	(91,000)	80,081	11,751	194,852
Total comprehensive income/(loss) for the period	-	-	(21,195)	2,403	(18,792)
Issuance of shares					
- Conversion of warrant	11	-	-	-	11
Dividend	-	-	(6,950)	-	(6,950)
As at 30 September 2020	194,031	(91,000)	51,936	14,154	169,121

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 and the accompanying explanatory notes attached to the interim financial statements.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

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

	(Unaudited) Current Year to date 30.9.2021 RM'000	(Audited) Preceding Year to date 31.12.2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	2,618	(12,805)
Adjustments for:-		
• Amortisation and depreciation	12,416	18,059
• Interest expenses	7,311	11,617
• Other non-cash operating items	(1,589)	3,407
Operating profit before working capital changes	20,756	20,278
Changes in inventories	(125)	12
Changes in trade and other receivables	35,013	(29,520)
Changes in trade and other payables	(59,341)	39,740
Changes in contract assets/liabilities	11,024	15,227
Cash generated from operations	7,327	45,737
Interest received	931	1,788
Interest paid	(5,580)	(11,815)
Tax paid	(2,301)	(5,554)
Net cash generated from operating activities	377	30,156
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,539)	(7,344)
Proceeds from disposal of property, plant and equipment	85	1,339
Net cash used in investing activities	(1,454)	(6,005)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	-	(6,950)
Proceeds from issuance of shares	-	11
Repayment of Sukuk	-	(10,000)
Net change in lease liabilities	(7,950)	(9,387)
Net change in bank borrowings	28,974	(7,798)
Changes in deposits pledged with financial institutions	(14,652)	(9,727)
Net cash generated from/(used in) financing activities	6,372	(43,851)
Net change in cash and cash equivalents	5,295	(19,700)
Cash and cash equivalents at the beginning of year	40,446	60,147
Effect of exchange translation difference on cash and cash equivalents	2	(1)
Cash and cash equivalents at the end of period	45,743	40,446
Cash and cash equivalents comprise of the following:		
• Deposits with licensed financial institutions	48,203	40,346
• Cash and bank balances	36,694	24,603
• Bank overdraft	-	-
	84,897	64,949
Less: Deposits pledged with licensed financial institutions	(39,154)	(24,503)
	45,743	40,446

The unaudited condensed consolidated cash flow statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

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

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

The interim 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 Company and its subsidiaries ("The Group") since the financial year ended 31 December 2019.

A2. Changes in Accounting Policies

The Group has adopted the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia for the accounting period beginning 1 January 2021.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2020 was not qualified.

A4. Seasonal or Cyclical Factors

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

A5. Unusual Items

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

A6. Changes in Estimates

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A7. Changes in Debt and Equity Securities

There were no changes in debt and equity securities during the quarter under review.

A8. Dividend Paid

No dividend has been paid during the quarter under review.

A9. Segmental Reporting

The Group’s segmental report for the financial period ended 30 September 2021 is as follows:-

	Investment holding	Construction	Manufacturing	Concessionaire asset and maintenance	Elimination	Total
	RM’000	RM’000	RM’000	RM’000	RM’000	RM’000
Revenue						
External sales	-	423,015	1,495	18,144	-	442,654
Inter-segment sales	-	1,304	-	6,599	(7,903)	-
Total revenue	-	424,319	1,495	24,743	(7,903)	442,654
Interest income	-	615	-	316	-	931
Interest expense	-	(2,505)	-	(8,933)	4,127	(7,311)
Amortisation and depreciation	-	(10,706)	(146)	(11)	(1,553)	(12,416)
Impairment of assets	-	-	-	-	-	-
Results						
Profit/(Loss) from operations	(531)	(3,339)	(425)	19,606	(5,382)	9,929
Finance costs	-	(2,505)	-	(8,933)	4,127	(7,311)
Profit/(Loss) before tax	(531)	(5,844)	(425)	10,673	(1,255)	2,618
Income tax expense	-	(9)	-	(222)	312	81
Profit/(Loss) after tax	(531)	(5,853)	(425)	10,451	(943)	2,699

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A9. Segmental Reporting (Continued)

The Group’s segmental report for the financial period ended 30 September 2020 is as follows:-

	Investment holding	Construction	Manufacturing	Concessionaire asset and maintenance	Elimination	Total
	RM’000	RM’000	RM’000	RM’000	RM’000	RM’000
Revenue						
External sales	3	458,773	2,342	17,837	-	478,955
Inter-segment sales	5,000	5,116	-	7,569	(17,685)	-
Total revenue	5,003	463,889	2,342	25,406	(17,685)	478,955
Interest income	3	1,148	-	59	-	1,210
Interest expense	-	(3,473)	-	(10,334)	5,094	(8,713)
Amortisation and depreciation	-	(10,463)	(699)	(30)	(2,330)	(13,522)
Impairment of assets	-	-	(3,863)	-	-	(3,863)
Results						
Profit/(Loss) from operations	4,476	(15,641)	(4,736)	19,614	(12,443)	(8,730)
Finance costs	-	(3,473)	-	(10,334)	5,094	(8,713)
Profit/(Loss) before tax	4,476	(19,114)	(4,736)	9,280	(7,349)	(17,443)
Income tax expense	(1)	(1,907)	-	-	559	(1,349)
Profit/(Loss) after tax	4,475	(21,021)	(4,736)	9,280	(6,790)	(18,792)

A10. Valuation of Property, Plant and Equipment

The Group’s property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

A11. Material Events Subsequent to the End of the Interim Period

There were no other material events subsequent to the end of the interim period.

A12. Changes in Composition of the Group

There have been no changes in composition of the Group.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A.13 Capital Commitments

	As at 30.9.2021 RM'000
Approved and contracted for	
- Purchase of property, plant and equipment	<u>1,085</u>

A14. Changes in Contingent Liabilities

	As at 30.9.2021 RM'000
Bank guarantees issued by licensed banks in respect of construction projects	<u>107,190</u>

A15. Significant Related Party Transactions

The significant related party transactions during the quarter under review in which directors of the Company have substantial financial interest are as follows:-

	Current Year Quarter 30.9.2021 RM'000	Current Year To date 30.9.2021 RM'000
Provision of construction works to a company in which directors have substantial financial interest	<u>13,714</u>	<u>40,096</u>

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B1. Review of Performance

Current Year Quarter:

The Group achieved a revenue of RM111 million for the quarter under review. The revenue decreased by RM91 million or 45% as compared to the same quarter last year. As a result of the MCO which began in June 2021 until mid-August 2021, the construction activities were temporarily suspended and therefore resulted in lower progress billings during the quarter. With the lower revenue and additional construction expenses accrued for the extension of time, the Group incurred a loss before tax of RM6.8 million.

Current Year To Date:

The Group achieved a revenue of RM443 million for the period ended 30 September 2021 with majority contribution from the construction division. The revenue decreased by RM36 million or 8% as compared to the same period last year. Despite of the lower revenue, the Group registered a profit before tax of RM2.6 million for the period ended 30 September 2021.

B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter	Preceding Quarter	Variance	
	30.9.2021	30.6.2021	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	111,156	145,418	(34,262)	(24%)
Profit/(Loss) before tax	(6,783)	3,409	(10,192)	(299%)

The revenue decreased by 24% due mainly to the lower construction progress recognized from the ongoing projects as compared to the preceding quarter. The decrease in construction activities was due to the re-implementation of MCO in June 2021. As a result of the lower revenue and additional construction expenses accrued for the extension of time, the Group incurred a loss before tax of RM6.8 million.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B3. Prospects for the Financial Year ending 31 December 2021

As at 30 September 2021, the Group has an outstanding order book of RM0.8 billion, comprising 10 ongoing projects. Coupled with the newly secured project of RM298 million in November 2021, the total outstanding order book increase to RM1.1 billion. These projects are expected to continue to contribute construction income for the financial year ending 31 December 2021. In addition, the concessionaire and maintenance income, which was not affected by the MCO, will provide consistent contribution for the financial year ending 31 December 2021.

However, there are still uncertainties arising from the COVID-19 pandemic. The COVID-19 SOP compliance which include periodic screening, the compliance to the minimum workers' accommodation standard, the supply of foreign construction workers and the increase in the construction material prices may further increase construction cost.

B4. Financial Forecast

There was no financial forecast announced in relation to the financial quarter under review.

B5. Taxation

	Current Year Quarter 30.9.2021 RM'000	Current Year To date 30.9.2021 RM'000
Current year tax	(67)	(167)
Under provision in prior year	(63)	(125)
Deferred tax	-	373
	<u>(130)</u>	<u>81</u>

The effective tax rate is lower than the statutory tax rate due to the utilization of unabsorbed business losses in prior year.

B6. Note to the Statement of Comprehensive Income

The note to the statement of comprehensive income is arrived at after charging or crediting the following items:

	Current Year Quarter 30.9.2021 RM'000	Current Year To date 30.9.2021 RM'000
Interest income	(324)	(931)
Other income	(31)	(1,938)
Interest expense	2,501	7,311
Amortisation and depreciation	3,631	12,416
Impairment of assets	-	-
Loss/(Gain) on disposal of property, plant and equipment	-	-

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B7. Status of Corporate Proposal

There is no pending corporate proposal.

B8. Group's Borrowings and Debt Securities

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

	As at 30.9.2021 RM'000
Long term borrowings	
Secured:	
• Islamic Medium-Term Notes ("Sukuk")	130,000
• Leases and Term Loan	9,046
	<u>139,046</u>
Short term borrowings	
Secured:	
• Islamic Medium-Term Notes ("Sukuk")	10,000
• Structure commodity financing and Contract financing	73,979
• Leases	10,049
	<u>94,028</u>

B9. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk.

B10. Material Litigation

During the quarter under review, neither the Group nor the Company involves in any material litigation.

B11. Dividend

No dividend has been proposed during the quarter under review.

PESONA METRO HOLDINGS BERHAD (Registration No. 201101029741)(957876-T)

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

B12. Earnings per Share

	Current Year Quarter 30.9.2021	Current Year To date 30.9.2021
Profit/(Loss) for the period attributable to owners (RM'000)	(7,917)	(7)
Number of shares:		
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	694,987	694,987
Basic earnings/(loss) per share (Sen)	(1.14)	-

B13. Realised and unrealised earnings or losses disclosure

	As at 30.9.2021 RM'000
Total retained earnings for the Group:	
• Realised	59,560
• Unrealised	(4,258)
• Consolidated adjustment	806
	<u>56,108</u>

B14. Authorisation for Issue

This interim financial report was authorized for issuance by the Board of Directors of the Company on 30 November 2021.