

**PASUKHAS GROUP BERHAD** Registration No.: 200501009342 (686389-A)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FIRST (1ST) QUARTER ENDED 31ST MARCH 2022**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR	PRECEDING YEAR	CHANGES	CURRENT YEAR	PRECEDING YEAR	CHANGES
	QUARTER	CORRESPONDING	(AMOUNT / %)	TO DATE	CORRESPONDING	(AMOUNT / %)
	31 March 2022	31 March 2021	RM'000	31 March 2022	31 March 2021	RM'000
	RM'000	RM'000		RM'000	RM'000	
Revenue	17,792	19,975	(2,183) / -11%	17,792	19,975	(2,183) / -11%
Contract Expenses	(16,044)	(17,879)		(16,044)	(17,879)	
Gross Profit	1,748	2,096	(348) / -17%	1,748	2,096	(348) / -17%
Other Operating Income	437	370		437	370	
	2,185	2,466		2,185	2,466	
Administrative Expenses	(3,491)	(1,792)		(3,491)	(1,792)	
Other Expenses	(2,451)	(304)		(2,451)	(304)	
Finance Costs	(250)	(283)		(250)	(283)	
Net Impairment Losses on Financial Assets and Contract Assets	-	-		-	-	
(Loss) / Profit Before Taxation	(4,007)	87	(4,094) / -4706%	(4,007)	87	(4,094) / -4706%
Income Tax Expense	(722)	14		(722)	14	
(Loss) / Profit After Taxation	(4,729)	101	(4,830) / -4782%	(4,729)	101	(4,830) / -4782%
Other Comprehensive Income	-	-		-	-	
Total Comprehensive (Expenses) / Income For The Financial Period	(4,729)	101		(4,729)	101	
(Loss) / Profit After Taxation Attributable To :-						
Owners of the Company	(4,658)	251	(4,909) / -1956%	(4,658)	251	(4,909) / -1956%
Non-controlling interests	(71)	(150)		(71)	(150)	
	(4,729)	101		(4,729)	101	
Total Comprehensive (Expenses) / Income Attributable To :-						
Owner of the Company	(4,658)	251	(4,909) / -1956%	(4,658)	251	(4,909) / -1956%
Non-Controlling Interests	(71)	(150)		(71)	(150)	
	(4,729)	101		(4,729)	101	
Weighted average number of shares in issue ('000)	1,436,863	1,408,665		1,436,863	1,408,665	
(Loss) / Profit per share attributable to the equity holders of the Company (sen)						
- Basic	(0.32)	0.02		(0.32)	0.02	
- Diluted	(0.32)	0.02		(0.32)	0.02	

**Notes:-**

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Pasukhas Group Berhad and its subsidiaries ("Group") for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

**PASUKHAS GROUP BERHAD** Registration No.: 200501009342 (686389-A)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE FIRST (1ST) QUARTER ENDED 31ST MARCH 2022**

	UNAUDITED AS AT END OF CURRENT QUARTER 31 March 2022 RM'000	AUDITED AS AT 31 Dec 2021 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	22,920	24,998
Investment properties	5,524	5,559
Right-of-use assets	1,224	1,320
Deferred tax assets	1,655	1,655
Other investments	29,954	18,560
	<u>61,277</u>	<u>52,092</u>
<b>CURRENT ASSETS</b>		
Inventories	30,411	30,318
Contract assets	33,247	21,835
Trade receivables	16,515	14,072
Other receivables, deposits and prepayments	29,343	32,382
Current tax assets	73	604
Fixed deposits with licensed banks	2,663	4,163
Money market instruments	35,663	60,063
Cash and bank balances	19,729	10,377
	<u>167,644</u>	<u>173,814</u>
<b>TOTAL ASSETS</b>	<u>228,921</u>	<u>225,906</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	221,522	212,914
Warrant reserves	35,067	35,067
Merger deficit	(10,500)	(10,500)
Fair value reserve	17	17
Foreign exchange translation reserve	(2)	(1)
Accumulated lossess	(77,366)	(72,170)
	<u>168,738</u>	<u>165,327</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>(687)</u>	<u>(324)</u>
<b>TOTAL EQUITY</b>	<u>168,051</u>	<u>165,003</u>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	940	1,024
Islamic medium term notes	10,998	12,472
Deferred tax liabilities	463	474
	<u>12,401</u>	<u>13,970</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	27,104	18,171
Other payables and accruals	16,481	23,913
Lease liabilities	345	347
Islamic medium term notes	1,398	1,298
Bank overdrafts	3,140	3,204
	<u>48,468</u>	<u>46,933</u>
<b>TOTAL LIABILITIES</b>	<u>60,869</u>	<u>60,903</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>228,920</u>	<u>225,906</u>
Net assets per share (RM)	<u>0.12</u>	<u>0.12</u>

**Notes:-**

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOR THE FIRST (1ST) QUARTER ENDED 31ST MARCH 2022

	<----->		Non-Distributable			----->				
	Share Capital	Employee Share Option Reserve	Merger Deficit	Fair Value Reserve	Warrant Reserve	Foreign Exchange Translation Reserve	Distributable Accumulated Losses	Attributable to Owners of the Company	Non- Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Current period to date ended 31 March 2022</u></b>										
Balance at 1 January 2022 (Audited)	212,914	-	(10,500)	17	35,067	(1)	(72,170)	165,327	(324)	165,003
Loss after taxation / Total comprehensive expenses for the financial period	-	-	-	-	-	-	(4,658)	(4,658)	(71)	(4,729)
Contributions by and distributions to owners of the Company:-										
- Foreign exchange translation differences	-	-	-	-	-	(1)	-	(1)	-	(1)
- Issuance of shares upon exercise of ESOS	8,608	-	-	-	-	-	-	8,608	-	8,608
- Acquisition of a subsidiary	-	-	-	-	-	-	(538)	(538)	(292)	(830)
<b>Balance at 31 March 2022 (Unaudited)</b>	<b>221,522</b>	<b>-</b>	<b>(10,500)</b>	<b>17</b>	<b>35,067</b>	<b>(2)</b>	<b>(77,366)</b>	<b>168,738</b>	<b>(687)</b>	<b>168,051</b>
<b><u>Preceding period to date ended 31 March 2021</u></b>										
Balance at 1 January 2021 (Audited)	117,501	4,129	(10,500)	17	-	(1)	(54,922)	56,224	1,799	58,023
Profit / (Loss) after taxation / Total comprehensive income / (expenses) for the financial period	-	-	-	-	-	-	251	251	(150)	101
Contributions by and distributions to owners of the Company:-										
- Issuance of shares upon exercise of ESOS	23,404	-	-	-	-	-	-	23,404	-	23,404
- Recognition of share option expenses	-	(282)	-	-	-	-	-	(282)	-	(282)
- Transfer to share capital for ESOS exercised	3,847	(3,847)	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2021 (Unaudited)</b>	<b>144,752</b>	<b>-</b>	<b>(10,500)</b>	<b>17</b>	<b>-</b>	<b>(1)</b>	<b>(54,671)</b>	<b>79,597</b>	<b>1,649</b>	<b>81,246</b>

**Notes:-**

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

**PASUKHAS GROUP BERHAD** Registration No.: 200501009342 (686389-A)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST (1ST) QUARTER ENDED 31ST MARCH 2022**

	UNAUDITED CURRENT PERIOD TO DATE 31 March 2022 RM'000	UNAUDITED PRECEDING PERIOD TO DATE 31 March 2021 RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation	(4,007)	87
<b>Adjustments for:-</b>		
Amortisation of transaction costs capitalised	25	25
Depreciation of plant and equipment	654	570
Depreciation of investment properties	35	48
Depreciation of right-of-use assets	97	126
Gain on disposal of plant and equipment	(67)	(4)
Share options to employees	1,073	(282)
Interest expense	224	268
Interest income	(213)	(61)
Fair value loss on investment in quoted shares	2,101	-
Unrealised gain on foreign exchange	(1)	(2)
<b>Operating (loss)/profit before working capital changes</b>	<b>(79)</b>	<b>775</b>
Increase in inventories	(93)	-
Net increase in contract	(11,413)	(3,767)
Decrease/(increase) in trade and other receivables	595	(11,925)
Increase in trade and other payables	1,501	832
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>	<b>(9,489)</b>	<b>(14,085)</b>
Interest paid	(224)	(268)
Income tax Paid	(201)	-
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<b>(9,914)</b>	<b>(14,353)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	213	61
Purchase of plant and equipment	(10)	(121)
Additional investment in an existing subsidiary	(830)	-
Proceeds from disposal of plant and equipment	1,500	4
Purchase of other investments	(13,494)	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<b>(12,621)</b>	<b>(56)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from exercise of employees' share options	7,535	23,404
Net repayment of bankers' acceptances	-	(796)
Repayment of lease liabilities	(85)	(192)
Net repayment of Islamic medium term notes	(1,400)	(1,300)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>6,050</b>	<b>21,116</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(16,485)</b>	<b>6,707</b>
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>	<b>1</b>	<b>1</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>71,399</b>	<b>14,509</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>54,915</b>	<b>21,217</b>

**Notes:-**

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to this interim financial statements.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****A. EXPLANATORY NOTES PURSUANT TO MALYSIAN FINANCIAL REPORTING STANDARD 134 : INTERIM FINANCIAL REPORTING****A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 : Interim Financial Reporting in Malaysia and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements").

The unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

**A2. Changes in Accounting Policies**

The significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2021.

The Group adopted the following new Accounting Standards, Amendments and IC Interpretations:-

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

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

<b>MFRS and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
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: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

**A3. Auditor's Report on Preceding Annual Financial Statements**

There were no audit qualification to the annual audited financial statements of the Group for the financial year ended 31 December 2021.

**A4. Seasonal or Cyclical Factors**

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

**A5. Unusual Items**

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

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**A6. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the current financial quarter under review and financial year-to-date.

**A7. Changes in Debts and Equity Securities**

There were no issuances, cancellations or repayments of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter under review and financial year-to-date, except for the following:-

- (i) Issuance of new ordinary shares pursuant to the employees' share option scheme ("ESOS"):-

	Individual Quarter 3 Months Ended 31.03.2022		Cumulative Quarter 3 Months Ended 31.03.2022	
	No. of shares '000	RM'000	No. of shares '000	RM'000
Exercise of Share options	378,500	7,535	378,500	7,535

- (ii) Conversion of Warrants to Ordinary Shares

During the current quarter, there was no conversion of warrants to ordinary shares. As at 20 May 2022, 578,896,755 warrants remained unexercised and warrants expiry date is on 15 July 2024.

**A8. Dividend**

There were no dividends declared or paid during the financial year to date under review.

**A9. Segmental Information**

The segmental revenue and results for the financial year-to-date under review are as follows:-

**Revenue by Operating Segments**

	M&E Engineering Services	Manufacturing of LV switchboards	Civil Engineering and Construction Services	Trading of Transformer and Steam Coal	Rental Income	Energy Utilities Services and Power Generation	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>							
External revenue	18	512	15,998	-	-	1,264	17,792
Inter-segment revenue	-	-	-	-	-	-	-
Total segment revenue	18	512	15,998	-	-	1,264	17,792
<b>Segment result</b>	-	3	978	-	-	767	1,748
Other operating income							437
Administrative expenses							(3,491)
Other expenses							(2,451)
Finance costs							(250)
Tax expense							(722)
Loss after taxation							(4,729)

All the business segments are held by subsidiaries, thus the Group's contract expenses, operating expenses, income taxes, assets and liabilities are managed on a group basis and are not allocated to operating segments.

**Revenue by Geographical Markets**

	Current Year To Date 31 March 2022	
	RM'000	%
Malaysia	17,792	100
	17,792	100

**A10. Valuation of Plant and Equipment**

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

**A11. Subsequent Material Events**

Save as disclosed below and elsewhere in the interim financial report, there were no material events subsequent to the end of the financial period up to the date of this report:-

(i) Issuance of the following new ordinary shares at the respective dates pursuant to the exercise of share options:

- (a) 28,022,300 new ordinary shares were issued and listed on 7 April 2022.
- (b) 69,156,700 new ordinary shares were issued and listed on 13 April 2022.
- (c) 20,747,000 new ordinary shares were issued and listed on 27 April 2022.

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

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

**A13. Contingent Assets or Liabilities**

Save as disclosed below, there were no contingent assets or contingent liabilities since the last audited financial statements of the Group for the financial year ended 31 December 2021:-

	Current Quarter Ended 31 March 2022 RM'000	Preceding Financial Year Ended 31 Dec 2021 RM'000
<b>Contingent Liability</b>		
- Bank guarantee issued	1,000	1,000

**A14. Capital Commitments**

The Group does not have any material capital commitments in respect of plant and equipment as at the end of the current financial quarter under review.

**A15. Capital Expenditure**

There were no major additions and disposals of the plant and equipment during the current financial quarter under review.

**A16. Related Party Transactions**

Save as disclosed below, there were no related party transactions for the current financial quarter under review and financial year-to-date:-

	Current Quarter Ended 31 March 2022 RM'000	Cumulative Year-To-Date 31 March 2022 RM'000
<b>Nature of transaction</b>		
Contract Income	-	-

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. Review of Performance**

The Group recorded a revenue of RM17.792 million for the current financial quarter under review as compared to RM19.975 million in the preceding corresponding quarter representing a decrease of RM2.183 million or 10.93%. The decrease was mainly due to decrease in revenue contributed from Civil Engineering and Construction Services. The Group's revenue was derived solely from Malaysia.

The Group recorded a gross profit before tax of RM1.748 million as compared to a gross profit before tax of RM2.096 million in the corresponding quarter of the preceding year.

The Civil Engineering and Construction Services segment provided the largest contribution of RM0.978 million or 55.95% to the Group with a revenue of RM15.998 million or 89.92%. Further information is disclosed in Note A9.

The Group recorded a negative cash flow for operating activities of RM9.489 million and negative net cash flow for operating activities of RM9.914 million after adjusting for interest and income tax paid due to increase in contract assets. The decrease in cash and cash equivalents are mainly due to purchase of other investment.

**B2. Comparison with Preceding Quarter's Results**

	<b>Current Quarter 31 March 2022</b>	<b>Preceding Quarter 31 Dec 2021</b>	<b>Variance</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	17,792	19,387	(1,595)
Loss before tax	(4,007)	(18,447)	14,440

Revenue of the Group decreased from RM19.387 million to RM17.792 million amounting to RM1.595 million or 8.23% for the current financial quarter as compared to immediate preceding financial quarter mainly due to decrease of revenue contributed from Civil Engineering and Construction Services. The Group reported a net loss before tax of RM4.007 million for the current financial quarter as compared to a net loss before tax of RM18.447 million in the immediate preceding quarter mainly due to impairment loss of financial and contract assets and fair value loss on quoted investments in the preceding quarter.

**B3. Prospects**

The year 2022 will no doubt bring a fair share of challenges and opportunities to the Group. With the Coronavirus disease 2019 (COVID-19) pandemic outbreak worldwide, like other companies in the same industry, the immediate prospects for the Group are not encouraging in the event that the macro economic and political climate do not improve drastically.

Nevertheless, the Group remains reasonably optimistic as it will continue to leverage on its clients base, internal strength and marketing efforts to secure new contracts from both local and overseas clients. With its solid foundation, and keen eye for integrating suitable acquisition and mergers into its expansion, the Group is expected to maintain sustainable growth and improved profitability for the foreseeable financial years.

The Board believe that with the continuous growth in the Energy Utilities Services and Power Generation segment will contribute positively to the financial performance of the Group. The Renewable Energy, i.e. energy utilities services and power generation business, with the long term stable income stream derived from the energy utilities services continue to contribute positively to long term revenue and profits of the Group. On top of the above, the Group will kick start its development project and expand into River Sand Extraction cum Trading segment in the near future.

In addition, on 2 April 2021, the Group had introduced the first maiden development project to public during the Ground-breaking Ceremony which was officiated by YB Dato' Sri Ismail Sabri Bin Yaakob, Senior Minister (Security Cluster).

This is a project by Pasukhas Development Sdn. Bhd. ("PDSB") (a wholly-owned subsidiary of the Company) through Joint Venture Agreement ("JVA") with Yayasan on 9 June 2017. Pursuant to the JVA, PDSB will undertake Yayasan Project as the Yayasan Project owner. PDSB shall be responsible for undertaking and implementing the entire development project on a total package basis from initial conceptual studies through the detail design and construction phase to the completion thereof. Further information on the roles and responsibility of PDSB are set out in the circular to Shareholders dated 20 July 2018.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**B3. Prospects (Continued)**

The development project located off Jalan Tun Razak, Kuala Lumpur. The development project has an estimated gross development value of RM338 million and gross development profit of RM81 million, after deducting gross development costs of approximately RM257 million. PDSB shall be effectively entitled to the whole gross development profit of RM81 million from development project. The development project is estimated to have a gross built-up area of approximately 644,000 square feet with a net floor area of approximately 355,000 square feet comprising the following:-

- (a) 224 units of serviced apartments with built-up areas ranging from approximately 640 square feet to 4,400 square feet, spread out over 32 storeys;
- (b) 1 basement car park comprising 42 car park lots;
- (c) an 8-storey podium comprising 2 storeys of commercial centres with a net floor area of approximately 12,000 square feet and 6 storeys containing a total of 607 car park lots;
- (d) 9 storeys of commercial offices with a net floor area of approximately 93,000 square feet; and
- (e) facilities including prayer room, multi-purpose hall, meeting room, childcare centre, kindergarten, laundry, reading room, indoor games room, gymnasium, computer room, hawkers' centre, workers' recreational space, medical treatment room, taxi-waiting area and other related amenities.

Furthermore, on 2 December 2021, the Group had completed the private placement of up 231,477,700 new ordinary shares in the Company, representing 20% of the total number of issued shares of the Company for the purpose of fund raising to finance the said projects and expansion.

Nonetheless, the Group will continue to focus and review its strategies to improve the cost, quality and delivery of its products and services as well as overall operational efficiencies in order to remain competitive in the industries the Group operate in.

**B4. Taxation**

	<b>Current Quarter Ended 31 March 2022 RM'000</b>	<b>Cumulative Period-To-Date 31 March 2022 RM'000</b>
<b><u>Current tax expenses:</u></b>		
- for the financial year	(733)	(733)
<b><u>Deferred tax expense:</u></b>		
- for the financial year	11	11
Current Tax for the current financial period	<u>(722)</u>	<u>(722)</u>

The statutory tax rate for the current financial year is 24%.

**B5. Profit Forecast and Profit Guarantee**

The Group has not issued any profit forecast or profit guarantee during the current financial quarter under review.

**B6. Status of Corporate Proposals**

There were no corporate proposal pending completion as at the date of issuance of this interim report.

**B7. Status of Utilisation of Proceeds**

- (i) The Company had on 12 October 2020 proposed to undertake a private placement of up to 268,757,000 new ordinary shares in the Company representing approximately ten percent (30%) of the total issued and paid-up share capital of the Company ("Private Placement") to independent third party investor(s) to be identified.

With the completion of the Private Placement on 4 December 2020, the Company has raised a total proceeds of RM17.078 million, which has been fully utilised in the following manner:-

Purpose	Proposed	Amount	Amount	Timeframe for Utilisation upon Listing Date
	Amount RM'000	Utilised RM'000	Unutilised RM'000	
Repayment of borrowings	1,930	1,930	-	Within 12 months
Development of the Project	14,808	14,808	-	Within 24 months
Estimated expenses for the Proposals	340	340	-	Immediate
	<u>17,078</u>	<u>17,078</u>	<u>-</u>	

- (ii) On 17 March 2021, the Company proposed to undertake the following:-

- (a) Proposed Share Consolidation involving the consolidation of every 10 existing ordinary shares in the Company into 1 ("Consolidated Shares"). As at 29 March 2021, being the latest practicable date prior to the date of this report, the issued share capital of the Company comprises 1,653,990,732 shares. Pursuant to the Proposed Share Consolidation, the 1,653,990,732 shares will be consolidated into 165,399,073 Consolidated Shares.
- (b) Proposed renounceable rights issue of up to 992,394,438 new Shares ("Rights Shares") together with up to 578,896,755 free detachable warrants in the Company ("Warrants A") on the basis of 12 Rights Shares together with 7 free Warrants A for every 2 existing Consolidated Shares held by the entitled shareholders on an entitlement date to be determined.

With the completion of the Private Placement on 21 July 2020, the Company has raised a total proceeds of RM99.199 million, which is expected to be utilised in the following manner:-

Purpose	Proposed	Amount	Amount	Timeframe for Utilisation upon Listing Date
	Amount RM'000	Utilised RM'000	Unutilised RM'000	
Development of Yayasan Project	66,683	-	66,683	Within 24 months
Financing of the Factory Project	31,816	31,816	-	Within 12 months
Estimated expenses for the Corporate Exercise	700	700	-	Immediate
	<u>99,199</u>	<u>32,516</u>	<u>66,683</u>	

**B8. Group Borrowings and Debt Securities**

The total borrowings of the Group as at 31 March 2022 are as follows:-

<u>As at 1st Quarter ended 31 March 2022</u>	Short Term	Long Term	Total
	RM'000	RM'000	borrowings RM'000
<u>Secured</u>			
Lease liabilities	345	940	1,285
Islamic medium term notes	1,398	10,998	12,396
	<u>1,743</u>	<u>11,938</u>	<u>13,681</u>
<u>As at 1st Quarter ended 31 March 2021</u>	Short Term	Long Term	Total
	RM'000	RM'000	borrowings RM'000
<u>Secured</u>			
Lease liabilities	459	1,285	1,744
Islamic medium term notes	1,298	12,396	13,694
	<u>1,757</u>	<u>13,681</u>	<u>15,438</u>

All borrowings of the Group are denominated in Ringgit Malaysia.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**B9. Material Litigation**

There were no material litigation, involving the Group since the date of the last annual statement of financial position of the Group as at 31 December 2021 up to the date of this interim report, except for the following:-

**(i) In the matter of an adjudication between Pasukhas Sdn Bhd ("PSB" or "Claimant") and Empire Multiple Sdn Bhd ("EMSB" or "Respondent")**

On 6 February 2018, the wholly-owned subsidiary of the Company, Pasukhas Sdn Bhd ("PSB" or "Claimant") had served 1 Payment Claim under Section 5 of the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") against Empire Multiple Sdn Bhd ("EMSB" or "Respondent"), claiming total amount of RM6,332,275.63 ("CIPAA Payment Claim") being outstanding sum due and owing by EMSB.

The CIPAA Payment Claim is related to the project known as "Sub-contract for the Supply of Materials, Labour, Machineries, Equipment & Tools for Structural Works Only for Construction & Completion of Apartment Housing Scheme which includes : (1) Apartment Block A (14 Storey) (i) 13 Storey (130 Units) Apartment (ii) 1 Storey Carpark (iii) 1 unit electrical Sub-station (2) Apartment Block B (14 Storey) (i) 13 Storey (130 units) Apartment (ii) 1 Storey Carpark (3) 1 Storey Club House and Swimming Pool (4) Guard House On lot 208397, 69040, 69041, 69042 and 69043, Taman Bintang, Bandaraya Ipoh, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan for Messrs Empire Multiple.

PSB had on 28 February 2018 instituted adjudication proceedings under the CIPAA against EMSB and both parties have been unable to agree on an adjudicator to determine the dispute.

On 26 April 2018, PSB had received a letter of acceptance of appointment as adjudicator dated 26 April 2018 from Mr James P Monteiro, the appointed Adjudicator in relation to the Proposed Terms of Appointment to act as Adjudicator under Section 23(1) of the CIPAA.

On 20 Aug 2018, PSB received the Adjudicator Decision pursuant to CIPAA dated 17 August 2018.

The Adjudicator's Decision was as follows:

(a) For the Adjudicated Sum:

- (i) The Respondents shall pay to the Claimant the sum of RM4,799,321.99; and
- (ii) Interest on the sum of RM4,799,321.99 commencing from 6 February 2018 until full settlement at a rate of 5% per annum.

(b) For the Adjudicated Costs:

- (i) The sum of RM40,000.00 as party to party costs within 10 working days from the date of release of the Adjudication Decision;
- (ii) Costs of adjudication which includes Asian International Arbitration Centre's ("AIAC") (previously known as KLRCA) registration of adjudication fee of RM265.00, appointment of adjudicator RM424.00 and administrative costs of RM60,000.00 (and GST if any) within 10 working days; and
- (iii) Interest of 5% per annum on such costs in the event of default until full settlement.

On 20 September 2018, PSB filed an application to enforce the CIPAA decision dated 17 August 2018 at Kuala Lumpur High Court.

On 28 September 2018, EMSB filed an application to stay the enforcement of the CIPAA decision & set aside the CIPAA decision dated 17 August 2018 in Ipoh High Court.

On 8 October 2018, EMSB filed an application to transfer the enforcement proceeding to Ipoh High Court. EMSB's application was dismissed.

PSB filed application to transfer EMSB's setting aside & stay proceeding to Kuala Lumpur High Court. The case management for the application to transfer EMSB's application was on 22 November 2018.

On 12 February 2019, the Kuala Lumpur High Court allowed PSB's application to enforce the CIPAA decision dated 17.8.2018 and dismissed EMSB's application to set aside and stay the CIPAA decision.

On 5 March 2019, EMSB has filed a Notice of Appeal against High Court's decision dated 12 February 2019.

On 7 March 2019, PSB served a winding up notice against EMSB. EMSB have then applied for and obtained an ex-parte injunction against PSB's winding up proceeding on 27 March 2019.

EMSB was given time until 2 April 2019, to pay the adjudicated sum before PSB take a further step to file a winding up petition on EMSB.

Before winding-up proceedings could be commenced, EMSB applied for and obtained an ex parte Fortuna injunction against PSB restraining PSB from presenting the winding-up petition. This ex parte injunction was subsequently affirmed by the learned High Court judge sitting in Ipoh on 27 March 2019.

On 19 June 2019, the Ipoh High Court allowed EMSB's application for a Fortuna Injunction. PSB appealed against the Ipoh High Court's decision. On 9 December 2021, the Ipoh High Court has allowed PSB's appeal in striking off of the fortuna injunction and awarded PSB a RM20,000 subject to allocator.

On 16 February 2022, PSB had filed a winding up petition at the Kuala Lumpur High Court against Empire Multiple Sdn Bhd due to the failure on the part of the Respondent to pay the total sum of RM5,883,829.00 to the PSB. The matter is fixed for hearing on 14 June 2022.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**B9. Material Litigation (Continued)**

**(ii) In the matter of an adjudication between Pasukhas Sdn Bhd ("PSB" or "Judgement Creditor") and Empire Multiple Sdn Bhd ("EMSB" or "Judgement Debtor") - IPOH HIGH COURT SUIT NO. AA-37J-2-06/2020**

On 31 October 2019, PSB filed a Judgment Debtor Summons ("JDS Suit") at the Kuala Lumpur High Court to summon EMSB's directors and officer for examination of EMSB's asset. EMSB has filed an application to transfer the JDS Suit to Ipoh High Court and the application to transfer has been approved during hearing on 16 January 2020.

The next case management for the JDS suit is fixed on 27 June 2022.

The Company will make further announcements on any material development on this matter.

**(iii) In the matter of an adjudication between Pasukhas Sdn Bhd ("PSB" or "Plaintiff") vs Empire Multiple Sdn Bhd and 8 others ("Defendants") - Ipoh High Court Suit No. AA-22NCC-7-02/2020**

On 14 February 2020, PSB filed a Writ of Summons ("Writ") against EMSB, EMSB's directors and EMSB's auditor at Ipoh High Court. The list of Plaintiff and Defendants as follows:-

Plaintiff

1. Pasukhas Sdn Bhd ("PSB")

Defendants

1. Empire Multiple Sdn Bhd ("EMSB" or "D1")
2. Lee Kong Choong ("D2")
3. Yee Loon Ming ("D3")
4. Tan Chuan Swee ("D4")
5. Ho Seng Loong ("D5")
6. Yee Kok Ching ("D6")
7. Chai Pin Fah ("D7")
8. Phuan Eng Sing ("D8")
9. Messrs Peter Ooi & Co ("D9")

The Plaintiff claiming for, amongst others, that the 2nd to 6th defendants to the suit had carried on the business of EMSB with the intention to defraud PSB.

On 30 March 2020, the 9th defendant filed a counter-claim against PSB claiming, amongst others, for general damages for tort of abuse of process, aggravated damages and exemplary damages.

Further to the hearing held on 4 April 2022, the Board of Directors of PASUKHAS wishes to announce that the Court has allowed PSB's additional affidavit and gave the Defendants 3 weeks to file an affidavit in Reply

The striking out application hearing which fixed on 4 April 2022 has been postponed to 15 July 2022

The Company will make further announcements on any material development on this matter.

**B10. Dividends**

There were no dividends declared or paid during the financial year-to-date under review.

**B11. Loss Per Share**

- i) Basic loss per share is calculated by dividing the loss attributable to the equity holders of the Company by the weighted average number of shares in issue for the financial period.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date	Preceding Year Corresponding Period To Date
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
(Loss) / Profit attributable to the equity holders of the Company (RM'000)	(4,658)	251	(4,658)	251
Weighted average number of ordinary shares in issue ('000)	1,436,863	1,408,665	1,436,863	1,408,665
Basic (loss) / profit per share (sen)	(0.32)	0.02	(0.32)	0.02

- ii) Diluted earnings per share is calculated by dividing the loss for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period adjusted for potential dilutive ordinary shares from the exercise of warrants.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date	Preceding Year Corresponding Period To Date
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
(Loss) / Profit attributable to the equity holders of the Company (RM'000)	(4,658)	251	(4,658)	251
Weighted average number of ordinary shares in issue ('000)	1,436,863	864,135	1,436,863	864,135
Diluted (loss) / profit per share (sen)	(0.32)	0.03	(0.32)	0.03

Notes: The diluted loss per share for individual and cumulative quarter ended 31 March 2022 is equivalent to the basic loss per share as the Company's warrants had an anti-dilutive effect on the basic loss per share.

**B12. Loss for the Period**

Loss before taxation is arrived at after charging / (crediting):-

	Current Quarter Ended	Cumulative
	31 March 2022	Year-To-Date
	RM'000	31 March 2022
		RM'000
(a) Interest income	(213)	(213)
(b) Other income	(224)	(224)
(c) Interest expense	224	224
(d) Depreciation and amortisation	786	786
(e) Gain on disposal of plant and equipment	(67)	(67)

Other disclosure items pursuant to Note 16 of Appendix 9B of the Listing Requirements are not applicable.

**B13. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 May 2022.

**By Order of the Board of Directors**

**WAN THEAN HOE**  
**CHIEF EXECUTIVE OFFICER**