

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**PART A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD  
(MFRS 134)**

**1. Basis of Accounting and Accounting Policies**

The interim financial statements have been prepared under the historical cost convention.

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021. The explanatory notes attached to the 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 Group since the financial year ended 31 December 2021.

**2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2021, except for the adoption of the amendments to accounting standards below that are relevant and effective for accounting periods on or after 1 January 2022 as follows: -

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
Annual Improvement to MFRS Standard 2018 - 2020	

The adoption of the above amendments to accounting standards do not have any significant impact on the financial results of the Group.

## INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022

### 3. Declaration of Audit Qualification

The audited financial statements of the Group for the financial year ended 31 December 2021 was not subject to any audit qualification.

### 4. Seasonal or Cyclical Factors

The Group's business operations for the quarter ended 30 June 2022 were not materially affected by significant seasonal or cyclical fluctuations.

### 5. Unusual Items Due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2022.

### 6. Changes in Estimates

There were no major changes in estimates that have had a material effect in the current quarter.

### 7. Segmental Information

	REVENUE		PROFIT/(LOSS) BEFORE TAX	
	3 months ended 30.6.2022	6 months ended 30.6.2022	3 months ended 30.6.2022	6 months ended 30.6.2022
<b>OPERATING SEGMENTS</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Maintenance	156,466	250,488	10,758	16,664
Construction	190	190	(1,616)	(2,487)
Property & Asset Management	609	1,781	(3,970)	(6,210)
Hotel and Hospitality	2,497	4,411	(9)	(425)
Engineering & Consultancy	13,222	16,304	2,440	860
Trading & Manufacturing	57,965	110,622	293	775
Education	5,755	11,564	(3,714)	(6,670)
Clean Energy	1,171	3,745	250	270
Others & Eliminations	(6,840)	(10,937)	(1,071)	(1,524)
<b>GROUP</b>	<b>231,035</b>	<b>388,168</b>	<b>3,361</b>	<b>1,253</b>

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

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

The Group did not carry out any valuation on property, plant and equipment during the current financial quarter.

**9. Subsequent Events**

There were no material events subsequent to the current quarter under review.

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

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

**11. Contingent Liabilities**

There were no material contingent liabilities of the Group as at the end of the current review.

**12. Capital Commitments**

	<u>As at 30.6.2022</u> RM'000
Purchase of property, plant and equipment	<u>411</u>

**13. Dividend**

No dividend was declared or paid for the financial period ended 30 June 2022.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**
**PART B - EXPLANATORY NOTES PURSUANT TO PART A OF APP'X 9B OF THE MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD**
**14. Analysis of Unaudited Performance of the Group by Operating Segment**

Operating Segments	Quarter Ended			Year-to-Date Ended		
	30.6.2022	30.6.2021	Variance	30.6.2022	30.6.2021	Variance
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Revenue</b>						
Maintenance	156,466	142,290	10%	250,488	259,417	-4%
Construction	190	(11)	1827%	190	848	-78%
Property & Asset Management	609	1,064	-43%	1,781	1,887	-6%
Hotel and Hospitality	2,497	1,503	67%	4,411	4,942	-11%
Engineering & Consultancy	13,222	5,101	160%	16,304	10,381	57%
Trading & Manufacturing	57,965	34,547	68%	110,622	114,651	-4%
Education	5,755	6,318	-9%	11,564	13,808	-17%
Clean Energy	1,171	2,037	-43%	3,745	2,150	75%
Others & Eliminations	(6,840)	(3,306)	-107%	(10,937)	(9,617)	-14%
<b>GROUP</b>	<b>231,035</b>	<b>189,543</b>		<b>388,168</b>	<b>398,467</b>	
<b>Profit/(Loss) Before Interest and Tax</b>						
Maintenance	10,704	11,375	-6%	16,191	20,729	-22%
Construction	(1,177)	(411)	-187%	(1,683)	1,674	-201%
Property & Asset Management	(3,492)	348	-1104%	(5,283)	(2,611)	-103%
Hotel and Hospitality	240	424	-44%	66	1,012	-94%
Engineering & Consultancy	2,873	1,231	134%	1,692	621	173%
Trading & Manufacturing	509	102	399%	1,123	1,318	-15%
Education	(3,434)	(2,037)	-69%	(6,157)	(2,724)	-126%
Clean Energy	608	514	19%	984	239	312%
Others & Eliminations	(1,206)	19	-6447%	(1,602)	(195)	-722%
<b>GROUP</b>	<b>5,625</b>	<b>11,565</b>		<b>5,331</b>	<b>20,063</b>	
<b>Profit/(Loss) Before Taxation</b>						
Maintenance	10,758	11,732	-9%	16,664	21,412	-23%
Construction	(1,616)	(846)	-91%	(2,487)	710	-451%
Property & Asset Management	(3,970)	(104)	-3718%	(6,210)	(3,560)	-75%
Hotel and Hospitality	(9)	150	-106%	(425)	447	-195%
Engineering & Consultancy	2,440	758	222%	860	(172)	600%
Trading & Manufacturing	293	(12)	2542%	775	1,166	-34%
Education	(3,714)	(2,187)	-70%	(6,670)	(3,033)	-120%
Clean Energy	250	129	94%	270	(490)	156%
Others & Eliminations	(1,071)	(88)	-1117%	(1,524)	(402)	-280%
<b>GROUP</b>	<b>3,361</b>	<b>9,532</b>		<b>1,253</b>	<b>16,078</b>	

**a) Current Quarter**
**Group**

The Group revenue increased by RM41.5 million from RM189.5 million to RM231.0 million due mainly to the following:

- (i) higher periodic maintenance works awarded to the Maintenance segment;
- (ii) higher food and beverages and other ancillary services income from the Hotel and Hospitality segment;
- (iii) higher revenue recognition from the Engineering segment due to the increase in the construction and pavement works performed; and
- (iv) higher supply of road maintenance raw materials from the Trading segment due to the increase in periodic works undertaken by the Maintenance segment.

## **INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

### **Analysis of Unaudited Performance of the Group by Operating Segment (cont'd)**

#### **a) Current Quarter (cont'd)**

Despite the increase in revenue, the profit before tax decreased by RM6.1 million from RM9.5 million to RM3.4 million due to lower revenue from the Education, Property and Asset Managements, and Energy segments.

The analysis of the financial performance by each segment is illustrated as follows:

#### **1) Maintenance**

Revenue increased by RM14.2 million (10%) from RM142.3 million to RM156.5 million due to higher periodic maintenance works performed in the current quarter. Despite the increase in revenue, the profit before tax decreased by RM0.9 million (8%) from RM11.7 million to RM10.8 million due to the increase in the cost of sales, administrative expenses and lower share of profits of associates.

#### **2) Construction**

Revenue increased marginally due to the recognition of overseas projects in Sri Lanka and Bangladesh. Despite the increase in revenue, the loss before tax increased by RM0.8 million (91%) from RM 0.8 million to RM1.6 million due to the decrease in other income and higher operating expenses in the current quarter.

#### **3) Property & Asset Management**

Revenue decreased by RM0.5 million (43%) from RM1.1 million to RM0.6 million due to non-renewal of management services for the Saderi project. The decrease in revenue and increase in operating and administrative expenses of Property Development and Investment units have resulted in the increase of loss before tax by RM3.9 million from RM0.1 million to RM4.0 million due to higher operating expenses.

#### **4) Hotel and Hospitality**

Revenue increased by 67% (RM1.0 million) from RM1.5 million to RM2.5 million due to higher food and beverages and other ancillary services income in the current quarter. Despite the increase in revenue, this segment posted a reversal from profit before tax of RM 0.1 million to a loss before tax of RM9K due to the increase in operating and administrative expenses mainly from advertisement and marketing, staff costs and utility expenses.

#### **5) Engineering & Consultancy**

Revenue increased significantly by RM8.1 million (159%) from RM5.1 million to RM13.2 million due to higher construction, pavement and certification works. The increase in revenue has resulted in an increase in profit before tax by RM1.6 million (222%) from RM0.8 million to RM2.4 million.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**14. Analysis of Unaudited Performance of the Group by Operating Segment (cont'd)**

**a) Current Quarter (cont'd)**

**6) Trading and Manufacturing**

Revenue increased by RM23.4 million (68%) from RM34.5 million to RM57.9 million due mainly to the increase in the sales of quarry, cold mix and bitumen products. The increase in revenue has resulted in the reversal from a loss before tax of RM0.01 million to a profit before tax of RM0.3 million.

**7) Education**

Revenue decreased by RM0.5 million (9%) from RM6.3 million to RM5.8 million due to a reduction in the student population. Consequently, coupled with the margin compression arising from higher operating expenses mainly from staff costs and marketing expenses, the loss before tax increased to RM3.7 million as compared to RM2.2 million.

**8) Clean Energy**

Revenue decreased from RM2.0 million to RM1.2 million mainly due to lower revenue from solar panel installation works in the current quarter. Despite the decrease in revenue, the profit before tax increased from RM0.1 million to RM0.2 million due to the decrease in administrative expenses and reversal of wrongly taken up the cost of sales in Solarcap.

**b) Year-to-Date**

The Group recorded a revenue of RM388.2 million, a decrease of RM10.3 million as compared to RM398.5 million mainly attributed to the followings:

- (i) Lower periodic works awarded from the Maintenance segment;
- (ii) Lower occupancy rate from Hotel and Hospitality segments;
- (iii) Lower revenue from the Trading segment due to the decrease in periodic works undertaken by the Maintenance segments;
- (iv) Lower student population from the Education segment; and
- (v) Lower management service income from the Asset Management segment.

The decrease in revenue of the Group has resulted in a decrease in profit before tax from RM16.1 million to RM1.3 million.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**14. Analysis of Unaudited Performance of the Group by Operating Segment (cont'd)**

The analysis of the financial performance by each segment is illustrated as below:

**b) Year-to-Date (Cont'd)**

**1) Maintenance**

Revenue was RM250.5 million as compared to RM259.4 million due to lower periodic works undertaken in the current period. In line with the decrease in revenue and higher administrative expenses, the profit before tax decreased to RM16.7 million in current period as compared to RM21.4 million in the preceding corresponding period.

**2) Construction**

Revenue was RM0.2 million as compared to RM0.8 million due to no new project launched. The decrease in revenue, lower other income and higher operating expenses has resulted in the reversal from profit before tax of RM0.7 million to a loss before tax of RM2.5 million.

**3) Property & Asset Management**

Revenue was RM1.8 million as compared to RM1.9 million due to lower revenue from the management services of asset management.

The loss before tax increased from RM3.6 million to RM6.2 million mainly due to higher administrative and operating expenses incurred in the property development and asset management segments.

**4) Hotel & Hospitality**

Revenue was RM4.4 million as compared to RM4.9 million due to a lower occupancy rate in the current period. Consequently, this segment posted a reversal from a profit before tax of RM0.4 million to a loss before tax of RM0.4 million.

**5) Engineering Services**

Revenue increased by 57% from RM10.4 million to RM16.3 million due to higher construction works, pavement and certification services performed.

In line with the increase in revenue and lower administrative expenses, this segment posted a reversal from a loss before tax of RM 0.2 million to a profit before tax of RM0.9 million.

**6) Trading and Manufacturing**

Revenue decreased by 4% (RM4.1 million) from RM114.7 million to RM110.6 million due to lower periodic works undertaken by the Maintenance segment, whereby this segment is the main supplier to the sub-contractors for bitumen and quarry materials.

Consequently, profit before tax decreased by 34% (RM0.4 million) from RM1.2 million to RM0.8 million.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**14. Analysis of Unaudited Performance of the Group by Operating Segment (cont'd)**

**b) Year-to-Date (Cont'd)**

**7) Education**

Revenue decreased by 16% (RM2.2 million) from RM13.8 million to RM11.6 million due to a significant drop in the student population.

In line with the decrease in revenue and higher operating expenses, the loss before tax increased from RM3.0 million to RM6.7 million.

**8) Clean Energy**

Revenue increased by 74% (RM1.5 million) from RM2.2 million to RM3.7 million due to the recognition of energy supply to TNB (Solar Photovoltaic) and increase in solar panel installation works performed. The increase in revenue and decrease in administrative expenses had resulted in the reversal from a loss before tax of RM0.5 million to a profit before tax of RM0.3 million.



**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**
**15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

Operating Segments	Quarter Ended		Difference
	30.6.2022	31.3.2022	
	RM'000	RM'000	RM'000
<b>Revenue</b>			
Maintenance	156,466	94,021	62,445
Construction	190	-	190
Property & Asset Management	609	1,172	(563)
Hotel and Hospitality	2,497	1,913	584
Engineering & Consultancy	13,222	3,082	10,140
Trading & Manufacturing	57,965	52,657	5,308
Education	5,755	5,809	(54)
Clean Energy	1,171	2,574	(1,403)
Others and Eliminations	(6,840)	(4,095)	(2,745)
<b>GROUP</b>	<b>231,035</b>	<b>157,133</b>	<b>73,902</b>
<b>Profit/(Loss) Before Interest and Tax</b>			
Maintenance	10,704	5,486	5,218
Construction	(1,177)	(506)	(671)
Property & Asset Management	(3,492)	(1,791)	(1,701)
Hotel and Hospitality	240	(174)	414
Engineering & Consultancy	2,873	(1,181)	4,054
Trading & Manufacturing	509	614	(105)
Education	(3,434)	(2,723)	(711)
Clean Energy	608	376	232
Others and Eliminations	(1,206)	(395)	(811)
<b>GROUP</b>	<b>5,625</b>	<b>(294)</b>	<b>5,919</b>
<b>Profit/(Loss) Before Taxation</b>			
Maintenance	10,758	5,906	4,852
Construction	(1,616)	(872)	(744)
Property & Asset Management	(3,970)	(2,240)	(1,730)
Hotel and Hospitality	(9)	(416)	407
Engineering & Consultancy	2,440	(1,580)	4,020
Trading & Manufacturing	293	482	(189)
Education	(3,714)	(2,956)	(758)
Clean Energy	250	20	230
Others and Eliminations	(1,071)	(452)	(619)
<b>GROUP</b>	<b>3,361</b>	<b>(2,108)</b>	<b>5,469</b>

The Group revenue increased from RM157.1 million to RM231.0 million due to the increase in revenue from the following segments:

- (i) Maintenance: Higher periodic maintenance works;
- (ii) Hotel and Hospitality: Higher occupancy rate and food and beverages income;
- (iii) Engineering: Higher construction, pavement, and certification services work performed; and
- (iv) Trading: Higher demand for bitumen and quarry products.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**15. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter (cont'd)**

The increase in revenue of RM73.9 million has resulted in the reversal of Group loss before tax from RM2.1 million to a profit before tax of RM3.4 million in the current quarter.

**16. Commentary on Prospects**

As the Malaysian economy continued to recover with growth of 8.9% in 2Q 2022 amid the normalising economic activity as the country moved towards endemicity and reopened international borders, the Group expects the improvement in economic activities to continue for the rest of the financial year 2022.

However, the weaker-than-expected global growth, further escalation of geopolitical conflicts and worsening supply chain disruptions has caused global inflation with rising costs of raw materials and transportation.

The Group expects some of its business segments to be impacted in the current financial year due to the uncertainty in market conditions and the margin squeeze as new property development projects launches and new construction contracts secured are expected to commence during the last quarter of the financial year.

Barring any unforeseen circumstances, the Group is cautiously optimistic and expects to improve its financial performance for the remaining period of the current financial year and continues to actively and diligently pursue other business opportunities to enhance its earnings and the return to the shareholders.

**17. Profit Forecast or Profit Guarantee**

Not applicable.

**18. Taxation**

Taxation represents current quarter provision.

The effective tax rate for the current year was higher than the statutory tax rate principally due to losses of certain subsidiary companies where no group relief is granted and non-allowable expenses.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**
**19. Profit after Taxation**

	<u>Current</u> <u>Year To Date</u> <u>30.6.2022</u> RM'000	<u>Corresponding</u> <u>Year To Date</u> <u>30.6.2021</u> RM'000
Profit after taxation for the financial period is arrived at after charging / (crediting):		
Depreciation of property, plant and equipment	6,443	6,056
Depreciation of investment properties	910	911
Depreciation of right-of-use assets	1,628	1,640
Impairment losses on receivables	-	201
Interest expense	4,411	4729
Gain on disposal of property, plant and equipment	(16)	(46)
Interest income	(736)	(948)
Reversal of impairment losses on receivables	(126)	(813)

**20. Corporate Proposals**

There was no corporate proposal announced but not completed in the current quarter up to 25 August 2022, being the last practicable date from the date of the issue of this report.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**
**21. Borrowings and Debt Securities**

	<u>As at 30.6.2022</u>	<u>As at 30.6.2021</u>
	RM'000	RM'000
Secured:		
- Short term borrowings	114,871	96,236
- Long term borrowings	62,116	86,927
- Bank overdrafts	32,030	38,668
Total borrowings	<u>209,017</u>	<u>221,831</u>

The total borrowings decreased from RM221.8 million as at 30 June 2021 to RM209.0 million as at 30 June 2022. The term loans repayments for IUKL, student accommodation, Park Inn by Radisson Hotel, and Pasir Gudang vacant land were off-set by the increase in drawdown of Bankers Acceptances under the Trading segment.

The net gearing ratio increased from 0.24 times as at 30 June 2021 to 0.25 times as at 30 June 2022 due to reduction in cash and cash equivalents from RM101.9 million in the preceding corresponding quarter to RM92.2 million in the current quarter.

There is no borrowing denominated in foreign currency. The effective interest rate ranges from 3.77% to 7.67% for the conventional borrowings and from 4.33% to 8.35% for the Islamic borrowings.

**22. Trade Receivables**

The trade receivables ageing, net of impairment and expected credit loss can be analysed as follows:

	<u>As at 30.6.2022</u>	<u>As at 30.6.2021</u>
	RM'000	RM'000
Less than 6 months	181,527	147,876
6 to 12 months	46,329	33,928
1 to 2 years	12,209	14,707
More than 2 years	2,290	666
	<u>242,355</u>	<u>197,177</u>

Normal credit terms range from 21 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

## **INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

### **23. Material Litigations**

Other than stated below, there were no changes in material litigation since the last annual balance sheet date:

- (i) **High Court of Malaya at Kuala Lumpur (“KL High Court”) Suit No: 22NCC-362-09/2014 between Protasco Berhad (“Company”) as plaintiff against PT Anglo Slavic Utama (“PT ASU”) as the 1<sup>st</sup> defendant, Tey Por Yee as the 2<sup>nd</sup> defendant and Ooi Kok Aun as the 3<sup>rd</sup> defendant**

On 28 December 2012, our Company entered into a conditional Sale and Purchase Agreement (“**Conditional SPA**”) with PT ASU to acquire 95,000,000 ordinary shares of IDR1,000 each in PT Anglo Slavic Indonesia (“**PT ASI**”), representing 76% equity interest in PT ASI for a proposed purchase consideration of USD55,000,000.

PT ASI holds 95% equity interest in PT Firman Andalan Sakti (“**PT FAS**”) which in turn holds 70% equity interest in PT Hase Bumou Aceh (“**PT Haseba**”) (“**PT ASI Group**”). PT ASU as vendor represented in the Conditional SPA that PT Haseba had a 10-year production management partnership agreement (“**PMP Agreement**”) with PT Pertamina (PERSERO) (“**Pertamina**”) to develop and to produce oil and gas in the Kuala Simpang Timur Field from 14 December 2004.

On 29 January 2014, our Company entered into an Amended and Restated Sale and Purchase Agreement (“**Restated SPA**”) with PT ASU to amend vary and restate, in its entirety, the Conditional SPA. With the execution of the Restated SPA, the Company agreed to acquire 78,750,000 ordinary shares of IDR1,000 each in PT ASI representing 63% equity interest in PT ASI from PT ASU for a total purchase consideration of USD22,000,000 (RM68,393,170) (“**Purchase Consideration**”). Parties thereto agreed that the Purchase Consideration was to be settled by way of setting off the deposit of USD16,340,563 (equivalent to RM50,000,000 based on the agreed exchange rate of USD1:RM3.05987 as at 28 December 2012) initially paid by our Company to PT ASU pursuant to the Conditional SPA and the balance thereof in cash.

The Restated SPA was subject to, among others, the following conditions subsequent to the completion of the Restated SPA which were to be fulfilled within six months from the date of the Restated SPA (“**Conditional Period**”):-

- (i) Consent of Pertamina for the sale and purchase of the shares pursuant to the Restated SPA;
- (ii) Extension of the PMP Agreement for a further 10-year period; and
- (iii) Issuance of Surat Keterangan Terdaftar Minyak & Gas license by the Ministry of Energy and Mineral Resources’ General of Oil and Gas Indonesia to PT Haseba.

Upon execution of the Restated SPA, our Company paid the balance Purchase Consideration amounting to USD5,659,437 (RM18,393,170) to PT ASU. In February 2014, pursuant on the terms of the Restated SPA, our Company made a further advance of USD5,000,000 (RM16,250,000) to PT ASI for working capital purposes (“**Advance**”). The total amounts paid to PT ASU and PT ASI collectively amounted to USD27,000,000 being the Purchase Consideration and the Advance.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

- (i) **High Court of Malaya at Kuala Lumpur (“KL High Court”) Suit No: 22NCC-362-09/2014 between Protasco Berhad (“Company”) as plaintiff against PT Anglo Slavic Utama (“PT ASU”) as the 1<sup>st</sup> defendant, Tey Por Yee as the 2<sup>nd</sup> defendant and Ooi Kok Aun as the 3<sup>rd</sup> defendant (cont'd)**

On 5 August 2014, our Company announced that the conditions subsequent pursuant to the completion of Restated SPA had not been fulfilled by PT ASU within the Conditional Period and accordingly, the Restated SPA lapsed on 28 July 2014. Our Company terminated the Restated SPA on 4 August 2014 and 14 August 2014.

On 22 September 2014, our Company filed a legal suit against PT ASU and the two former Directors, namely the 2<sup>nd</sup> and the 3<sup>rd</sup> defendant for, among others, the refund of the Purchase Consideration and Advance.

The total amount claimed against PT ASU and the two former Directors (“**2<sup>nd</sup> and 3<sup>rd</sup> Defendants**”) are as follows: -

Against PT ASU

- i. A payment of USD22,000,000;
- ii. Pre-judgement interest on USD22,000,000 pursuant to Section 11 of the Civil Law Act 1956 from the date of the suit until the date of judgement at an interest rate of 5% per annum;
- iii. Post-judgement interest on USD22,000,000 pursuant to Order 42 Rule 12 of the Rules of Court 2012 from the date of judgement until full and final settlement thereof at an interest rate of 5% per annum; and
- iv. Damages for the breach of the Restated SPA.

Against the 2<sup>nd</sup> and 3<sup>rd</sup> Defendants

- i. A payment of USD27,000,000 (including the Advance);
- ii. Pre-judgement interest on USD27,000,000 pursuant to Section 11 of the Civil Law Act 1956 from the date of the suit until the date of judgement at an interest rate of 5% per annum;
- iii. Post-judgement interest on USD27,000,000 pursuant to Order 42 Rule 12 of the Rules of Court 2012 from the date of judgement until full and final settlement thereof at an interest rate of 5% per annum;
- iv. Damages for fraud and conspiracy; and
- v. General damages, aggravated and exemplary.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

- (i) **High Court of Malaya at Kuala Lumpur (“KL High Court”) Suit No: 22NCC-362-09/2014 between Protasco Berhad (“Company”) as plaintiff against PT Anglo Slavic Utama (“PT ASU”) as the 1<sup>st</sup> defendant, Tey Por Yee as the 2<sup>nd</sup> defendant and Ooi Kok Aun as the 3<sup>rd</sup> defendant (cont'd)**

The status of this suit is as follows: -

PT ASU’s application to stay this legal proceeding pending arbitration was dismissed by the KL High Court on 11 August 2015. Thereafter, PT ASU filed an appeal to the Court of Appeal Malaysia (Appeal Jurisdiction) at Wilayah Persekutuan Putrajaya (“Court of Appeal”) which was allowed on 25 February 2016. Pursuant to the decision of the Court of Appeal, the action against PT ASU is now stayed pending the referral of the matter to arbitration in accordance with the rules of the Kuala Lumpur Regional Centre of Arbitration.

Following the decision of the Court of Appeal on 25 February 2016, the 2nd and 3rd Defendants have filed their stay application pending the disposal of the arbitration between PT ASU and our Company. This application has been granted on 20 December 2016. The Company had then filed an appeal against the said High Court decision to the Court of Appeal. The Court of Appeal had on 29 January 2019, allowed the Company’s appeal and remitted the case back to the High Court against the 2nd and 3rd Defendants. The 2nd and 3rd Defendants had on 28 February 2019 respectively filed an application by way of motion for leave to appeal to the Federal Court (“2nd and 3rd Defendants’ Motion”). The 2nd and 3rd Defendants’ Motion were dismissed on 25 March 2019. Both the 2nd and 3rd Defendants filed an application to the Court of Appeal for stay of the High Court proceedings pending the hearing of the said 2nd and 3rd Defendants’ Motion. The stay application has been dismissed by the Court of Appeal on 28 January 2019.

The 2nd and the 3rd Defendants had on 20 September 2019 filed an application to strike out the Kuala Lumpur High Court Suit No.: 22NCC-362-09/2014 (“Strike Out Application”). The Strike Out Application has been fixed for Hearing on 27 August 2020. The Strike Out Application was heard on 27 August 2020 and dismissed by the High Court Judge on 10 September 2020 with costs of RM25,000 to be paid by the 2nd and the 3rd Defendants to the Company. The 2nd and 3rd Defendants had filed an appeal at the Court of Appeal against the decision of the High Court on 10 September 2020 dismissing the Strike Out Application. The appeal has been fixed for continued Hearing on 11 January 2022 and the appeal has been dismissed by the Court of Appeal with costs of RM30,000.00 to be paid to the Company by both the 2<sup>nd</sup> and 3<sup>rd</sup> Defendant. The 2<sup>nd</sup> and 3<sup>rd</sup> Defendant had on 10 February 2022 filed an application for leave via notice of motion at the Federal Court (“Leave Application”) seeking leave to appeal to the Federal Court against the decision of the High Court on 10 September 2020 dismissing the Strike Out Application and the decision of the Court of Appeal on 11 January 2022 dismissing the appeal. The Leave Application is fixed for Hearing on 27 June 2022. The Leave Application was withdrawn by the 2nd and the 3rd Defendants on 24 June 2022 without liberty to file afresh.



**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

- (i) **High Court of Malaya at Kuala Lumpur (“KL High Court”) Suit No: 22NCC-362-09/2014 between Protasco Berhad (“Company”) as plaintiff against PT Anglo Slavic Utama (“PT ASU”) as the 1<sup>st</sup> defendant, Tey Por Yee as the 2<sup>nd</sup> defendant and Ooi Kok Aun as the 3<sup>rd</sup> defendant (cont'd)**

The Company had on 13 May 2020 filed 3 applications for leave to appeal to the Federal Court (“Federal Court Applications”) against the judgment of the Court of Appeal dated 6 March 2020 (appeals in relation to Bankers’ Books (Evidence) Act 1949). The said applications are fixed for Case Management on 28 July 2020 and for Hearing on 25 August 2020 at the Federal Court. The Federal Court Applications were granted by the Federal Court on 25 August 2020. As such, the Company has filed its appeal at the Federal Court. The appeal to the Federal Court was fixed for hearing on 5 January 2021 and the Federal Court has fixed 23 August 2021 for Decision. The appeal was allowed by the Federal Court on 23 August 2021 and therefore, the judgment of the Court of Appeal dated 6 March 2020 is set aside. With that, the Company is allowed to use the documents obtained from the banks as part of its evidence. However, the Company will still need to prove the documents in accordance with the standard of proof as set out in the provisions of the BBEA and the Evidence Act, 1950.

On 19 January 2021, the 2nd and 3rd Defendants had filed an application to stay the proceedings at the Kuala Lumpur High Court pending the disposal of their appeal at the Court of Appeal. The said application for a stay of proceedings which was fixed for hearing before the learned High Court Judge on 2 March 2021 has been dismissed with costs of RM8,500 to be paid by the 2nd and 3rd Defendant to the Company.

The Full Trial for the Kuala Lumpur High Court Suit No.: 22NCC-362-09/2014 has commenced on 15 and 27 October 2021, 8, 10, 11, 12 and 26 November 2021, 6 and 17 December 2021, 19 January 2022 and on 2, 3 and 4 March 2022 whereas the Full Trial scheduled on 22, 23 and 25 March 2022 have been vacated.

The Full Trial fixed on 15 April 2022 and on 5 and 6 May 2022 have been concluded. The Full Trial fixed on 13 May 2022 has been vacated. The Full Trial fixed on 26, 30 and 31 May 2022, 16 and 17 June 2022, 25 and 28 July 2022 and from 2 to 5 August 2022 have been concluded. The Full Trial will continue from 7 to 10 and 12 November 2022.

Notwithstanding the above litigation, the purchase consideration paid and advance made amounting to RM68,393,170 and RM16,250,000 respectively have been fully impaired in the financial year ended 31 December 2014.

- (ii) **High Court of Malaya at Shah Alam (“SA High Court”) Suit No. 22NCVC-561-11/2014 between Protasco Trading Sdn Bhd (“PTSB”) as plaintiff against PT Goldchild Integritas Abadi (“Goldchild”) and Ooi Kock Aun (“OKA”) as defendants**

PTSB, a wholly owned subsidiary of our Company, had entered into an agreement dated 4 February 2013 (“**Agreement**”) to undertake coal trades with Goldchild.

Pursuant to the terms of the Agreement and to facilitate coal purchases, a deposit (“**Deposit**”) of USD5,161,290 (approximately RM16,000,000) was paid by PTSB to Goldchild on 4 February 2013. The Deposit is to be deducted in stages against future coal trades.



**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

**(ii) High Court of Malaya at Shah Alam (“SA High Court”) Suit No. 22NCVC-561-11/2014 between Protasco Trading Sdn Bhd (“PTSB”) as plaintiff against PT Goldchild Integritas Abadi (“Goldchild”) and Ooi Kock Aun (“OKA”) as defendants (cont'd)**

On 19 July 2013, PTSB entered into a Coal Stockpile Joint Venture Agreement with Goldchild to provide a sum of not exceeding USD900,000 (approximately RM2,904,000) for the purpose of the joint venture to purchase coal in Indonesia and resell the coal to potential buyers, subject to such terms and conditions as stipulated in the Coal Stockpile Joint Venture Agreement.

On 21 November 2014, PTSB filed a legal suit against Goldchild and one of the former directors of our Company, OKA, when our Company uncovered that OKA has an undisclosed interest in Goldchild.

The status of this suit is as follows: -

OKA filed an application to strike out the legal suit against him and the application was dismissed on 19 October 2015. Thereafter, OKA filed an appeal against the SA High Court decision to the Court of Appeal. OKA's appeal has been struck off with liberty to file afresh and with no order as to costs by the Court of Appeal on 17 May 2018.

Goldchild's application to stay this legal proceeding pending arbitration was allowed by the SA High Court on 19 October 2015. Thereafter, PTSB filed an appeal against the SA High Court decision to the Court of Appeal. This appeal was withdrawn by PTSB on 24 August 2016.

Since the legal suit against Goldchild has been stayed pending arbitration, OKA filed an application for stay pending arbitration between PTSB and Goldchild which was allowed on 13 January 2016. PTSB then filed an appeal against the SA High Court decision to the Court of Appeal. This application was dismissed by the Court of Appeal on 24 August 2016. PTSB had on 23 September 2016 filed an application for leave via notice of motion seeking leave to appeal to the Federal Court of Malaysia at Wilayah Persekutuan Putrajaya (“Federal Court”). The Motion has been dismissed by the Federal Court on 11 January 2018.

Pursuant to the decision of the Federal Court, the action against PT Goldchild and OKA in the SA High Court is now stayed pending the arbitration proceedings between PT Goldchild and PTSB in Jakarta, Indonesia in accordance with the rules of Badan Arbitrase Nasional Indonesia (“BANI”).

Notwithstanding the above litigation, the coal trade deposits made to Goldchild amounted to RM18,904,000 had been fully impaired in the financial year ended 31 December 2014.

**(iii) Notice of Adjudication pursuant to Section 8 of the Construction Industry Payment and Adjudication Act 2012 served on HCM Engineering Sdn Bhd (“HCM”)**

On 6 July 2018, HCM was served with Adjudication Decision dated 4 July 2018 whereby HCM shall pay Kuasatek Sdn Bhd (“Kuasatek”) the sum of RM2,959,440.44 within 14 days from the date of the Adjudication Decision.

HCM had on 8 August 2018 filed the following applications in the High Court of Malaya at Kuala Lumpur (“KL High Court”): -

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

**(iii) Notice of Adjudication pursuant to Section 8 of the Construction Industry Payment and Adjudication Act 2012 served on HCM Engineering Sdn Bhd ("HCM") (cont'd)**

- (a) An application by way of Originating Summons to set aside the Adjudication Decision pursuant to Section 15(b) and Section 15(d) of the Construction Industry Payment Adjudication Act 2012 ("the Setting Aside Application"). The Setting Aside Application was dismissed;
- (b) An application by way of Originating Summons to stay the Adjudication Decision pursuant to Section 16 of the Construction Industry Payment Adjudication Act 2012 pending arbitration ("the Stay Application"). The Stay Application was dismissed.

In addition, HCM has served a Notice to Request for Arbitration dated 6 August 2018 to Kuasatek to refer the claim to arbitration pursuant to Article 3, Part II of the Asian International Arbitration Rules 2018.

Meanwhile, Kuasatek had, on 9 August 2018, served on HCM, an application by way of Originating Summons for an order that the Adjudication Decision dated 4 July 2018 be enforced as a judgement against HCM in the KL High Court pursuant to Section 28(1) of the Construction Industry Payment Adjudication Act 2012 ("the Enforcement Application"). The Enforcement Application was allowed. HCM has on 2 November 2018 filed an application for stay of the enforcement allowed by the High Court. At the Hearing on 22 November 2018, the parties have entered into Consent Order based on the following terms: -

- (i) HCM will pay the Adjudicated Sum amounting to RM3,116,428 by 27 November 2018;
- (ii) Kuasatek undertakes not to commence winding up proceedings and any other execution proceedings;
- (iii) Kuasatek undertakes to refund any monies paid under (i), in excess of the sum which the HCM is liable to pay pursuant to the outcome of the current appeal to Court of Appeal by HCM, any arbitration or litigation involving current dispute between the parties.

On 29 October 2018, HCM filed an appeal to the Court of Appeal against the decision of the High Court in dismissing the Setting Aside Application and allowing the Enforcement Application. The hearing date is fixed on 17 June 2019 and it has been further rescheduled to 23 September 2019 wherein the appeals have been dismissed with costs of RM5,000.00. With the dismissal, all appropriate actions pursuant to the Construction Industry Payment and Adjudication Act 2012 have been exhausted and concluded.

Meanwhile, HCM had on 8 March 2019 filed a legal suit at the Kuala Lumpur High Court against Kuasatek ("Legal Proceeding").

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

**(iii) Notice of Adjudication pursuant to Section 8 of the Construction Industry Payment and Adjudication Act 2012 served on HCM Engineering Sdn Bhd ("HCM") (cont'd)**

HCM's claim against Kuasatek is premised on breach of contract by Kuasatek pursuant to a Letter of Appointment for Mechanical and Electrical Works Packages (Contract No: HCM/P48-AFC/LA/C/16/V1(07)) dated 15 March 2016, a work package under a project previously awarded to HCM known as "The Design And Built Contract For The Proposed Additional Of A 4 Storey Office Building With Basement Car Parking To The Existing Facilities On Lot No. 38627, Bukit Jalil, Mukim Petaling, Daerah Kuala Lumpur, Malaysia For Asian Football Confederation." Kuasatek was the mechanical and electrical works sub-contractor for HCM.

The Legal Proceeding is to finally determine the liability of Kuasatek under the contract and for the refund of the Adjudicated Sum paid to Kuasatek pursuant to the Adjudication Decision dated 4 July 2018.

HCM's claims against Kuasatek are as follows: -

- (a) A declaration that the contract dated 13 May 2016 between HCM and Kuasatek is for the sum of RM9,500,000;
- (b) A declaration that Kuasatek has breached the contract;
- (c) A declaration that HCM is allowed to set off the sum of RM288,205 as the costs to rectify the defectives works and/or work done on behalf;
- (d) A declaration that HCM is allowed to set off the sum of RM930,000 as Liquidated Ascertained Damages;
- (e) A declaration that HCM is allowed to withhold the sum of RM475,000 as the performance bond until the issuance of the Certificate of Making Good Defects by Asian Football Confederation;
- (f) Kuasatek shall pay the sum of RM12,889 to HCM;
- (g) Kuasatek shall refund the sum of RM2,968,457 to HCM forthwith being the excess payment paid by HCM to Kuasatek for work done;
- (h) Kuasatek shall refund the sum of RM106,572 to HCM forthwith being the sum paid by HCM to Kuasatek for legal costs, adjudication costs and expenses;
- (i) General damages to be assessed by this Honourable Court;
- (j) Interest at the rate of 5% p.a. on the amount in (f), (g), (h) and (i) above from the date of Judgment until date of full payment; and
- (k) Costs.

On 16 April 2019, Kuasatek filed its defence and counterclaim against HCM for a sum of RM733,548.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

**(iii) Notice of Adjudication pursuant to Section 8 of the Construction Industry Payment and Adjudication Act 2012 served on HCM Engineering Sdn Bhd ("HCM") (cont'd)**

KL High Court had fixed the following dates in respect of the legal proceeding filed by HCM against Kuasatek on 11 March 2019, claiming the sum of RM3,087,917.74 for breach of contract by Kuasatek:-

1. It has been fixed for case management on 3 September 2020.
2. It has been fixed for full trial from 5 October 2020 until 9 October 2020.

The trial has been partially completed on the 5th, 6th and 7th October 2020. The KL High Court has fixed 13 January 2021 for continued trial. Due to the Movement Control Order imposed by the Government of Malaysia, the continued trial which was fixed on 13 January 2021 has been vacated. The KL High Court has further fixed 11 October 2021 for continued Full Trial.

The Full Trial for the legal proceeding has been concluded on 11 October 2021. The Court has fixed 17 February 2022 for oral submission/clarification before the Court Judge. At the conclusion of the oral submission/clarification, the Legal Proceeding is fixed for Decision on 30 March 2022.

The Court had on 30 March 2022 ("Judgment Date") ruled the following judgment ("Judgment") in favour of HCM on the legal proceeding, the details of which are as follows:

- (i) HCM has been awarded a judgment sum of RM584,280 ("Judgment Sum") being an overpayment made to Kuasatek;
- (ii) Kuasatek is to remit the said Judgment Sum from the Judgment Date, failing which an interest at the rate of 5% per annum will be imposed from the Judgment Date until full and final settlement of the Judgment Sum; and
- (iii) Legal costs of RM60,000 is awarded to HCM due to the complexity, amount of works and time used for the entire legal proceeding.

Pursuant to the Judgment on 30 March 2022, the Court has fixed 22 April 2022 for submission/clarification by the parties' Solicitors before the Court Judge of the Judgment Sum awarded to HCM. Upon hearing the oral submission/clarification from HCM's Solicitor, the Court held as follows:

- (i) The Judgment Sum has been revised from RM584,279.67 to RM986,248.89 being the correct and accurate overpayment made by HCM to Kuasatek;
- (ii) An interest at the rate of 5% per annum will be imposed on the Judgment Sum from 22 April 2022 until full and final settlement of the Judgment Sum; and
- (iii) Legal costs of RM60,000.00 is awarded to HCM due to the complexity, amount of work and time used for the entire Legal Proceeding.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

**(iii) Notice of Adjudication pursuant to Section 8 of the Construction Industry Payment and Adjudication Act 2012 served on HCM Engineering Sdn Bhd ("HCM") (cont'd)**

Kuasatek had on 28 April 2022 filed an appeal to the Court of Appeal to appeal against the Judgment. The Hearing date for the appeal is yet to be fixed by the Court of Appeal.

HCM and Kuasatek had reached an amicable settlement on 24 June 2022 for the full and final settlement of the Legal Proceeding and the Judgment with an agreed settlement sum of RM1,046,248.25.

With the settlement, Kuasatek had withdrawn the notice of appeal on 24 June 2022 without liberty to file afresh.

**(iv) High Court of Malaya at Penang ("Penang High Court") Suit No: PA-22NCVC-155-09/2020 between Tenaga Nasional Berhad ("TNB") as Plaintiff against Kumpulan Ikram Sdn Bhd ("KISB") as the Defendant**

TNB had, vide an agreement dated 13 July 2015 ("TNB Agreement"), appointed KISB to carry out construction works known as "The Construction and Commission of Retention Pond at Gelugor Power Station" ("Project") whereby the scope of works includes amongst others designing flow system improvements, drainage system expansion and replacing U-drain size from 600mm to 750mm in Loji Kuala Gelugor ("Works").

KISB had in turn, vide a Letter of Award dated 26 May 2015 ("LOA"), appointed Qemudi Nekad Resources as sub-contractor ("Sub-Contractor"):

- i) to identify the utilities within the Project site and further prepared a utility mapping to be approved by TNB; and
- ii) to carry out the entire Works.

TNB alleged that upon KISB carried out the drain breaking for the existing U-drain, the workers of KISB had carried out the picking up of the surplus and remnants debris of the broken U-drain left in the drain by using a backhoe ("Picking up the U-drain surplus and remnants works").

TNB further alleged that due to the picking up the U-drain surplus and remnants works by KISB, the same had caused the TNB's cable 2 ("TNB's Cable") destroyed. It was alleged that the bucket of the backhoe had caused damage on TNB's Cable. Subsequent to that, TNB lodged a police report on the said damage. TNB then terminated KISB's permit to work certificate and issued a stop-work order on KISB on the reason that the damage caused by KISB is a breach under Section 37(11) (b) and/or 37(12) (a) of the Electricity Supply Act 1990 ("Act").

TNB had managed to recover RM150,000.00 only from the Construction All Risks Insurance taken by KISB for this Project from TNB's panel insurance company, QBE Insurance (Malaysia) Berhad. The policy limit is RM150,000.00 only. The said insurance does not have "principal existing property" cover which will protect the insured against loss or damage to property located on or surrounding the site belonging to or held in care, custody or control by the insured.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

**(iv) High Court of Malaya at Penang (“Penang High Court”) Suit No: PA-22NCVC-155-09/2020 between Tenaga Nasional Berhad (“TNB”) as Plaintiff against Kumpulan Ikram Sdn Bhd (“KISB”) as the Defendant (Cont'd)**

In view thereof, TNB filed a suit against KISB pursuant to Section 41(1) of the Act under the strict liability tort on the reason that KISB's workers have neglected during the carrying out of the picking up the U-drain surplus and remnants works and caused damage on the TNB's cable. The damage on the TNB's Cable had caused the followings: -

- i) a power outage to TNB's customers hence, TNB suffered loss of income during the period of the power outage; and
- ii) rectification cost incurred to rectify the damage and replace the new cable.

TNB further alleged that TNB had issued a Notice of Claim for damages by way of letter dated 23 March 2016 and also a Letter of Demand dated 11 January 2018 to KISB to inform on the damage and to claim on the rectification cost amounting to RM6,799,961.83.

TNB's claims are as follows: -

- 1) General damages to be assessed;
- 2) Special damages amounting to RM6,799,961.83;
- 3) General damages to be assessed together with interest of 5% per annum calculated from the date of the filing of the writ until full settlement;
- 4) Economic damages to be assessed together with interest of 5% per annum calculated from the date of the filing of the writ until full settlement;
- 5) Interest of 5% per annum on the sum of RM6,799,961.83 calculated from the date of the filing of the writ until full settlement;
- 6) Aggravated and exemplary damages;
- 7) Cost; and
- 8) Any other relief court deems fit.

KISB had filed its Defence on 2 October 2020. TNB had filed its Reply on 9 November 2020. The Mediation which was fixed on 6 April 2021 was unsuccessful as the parties have failed to reach a settlement. The Case Management date which was fixed on 15 December 2021 was postponed to a further date.

KISB had on 25 January 2022 filed an application for the discovery of the Project documents from TNB pursuant to Order 24, Rules 12, 13 and 16 of the Rules of Court 2022 (“Discovery Application”).

The Hearing date for the said Discovery Application originally scheduled on 11 May 2022 and later postponed to 24 May 2022 have been vacated.

**INTERIM REPORT FOR THE FINANCIAL PERIOD 30 JUNE 2022**

**23. Material Litigations (Cont'd)**

- (iv) **High Court of Malaya at Penang (“Penang High Court”) Suit No: PA-22NCVC-155-09/2020 between Tenaga Nasional Berhad (“TNB”) as Plaintiff against Kumpulan Ikram Sdn Bhd (“KISB”) as the Defendant (Cont'd)**

The Penang High Court has fixed 7 June 2022 as the new Hearing date for the said Discovery Application. The Penang High Court had dismissed the Discovery Application and the full trial is fixed on 18, 19 and 20 July 2023.

Notwithstanding the above litigation, the claim amount has been fully impaired in the financial year ended 31 December 2020.

**24. Earnings Per Share**

The basic earnings per share of the Group is calculated by dividing the profit attributable to the owners of the Company over the weighted average number of ordinary shares in issue, excluding treasury shares.

	<u>3 months</u> <u>ended</u> 30.6.2022	<u>6 months</u> <u>ended</u> 30.6.2022
Net loss for the financial quarter/year-to-date (RM'000)	(3,603)	(9,076)
Weighted average number of ordinary shares in issue ('000)	481,735	481,737
Adjustment for assumed exercise of warrants ('000)	106,051	106,051
Adjusted weighted average number of ordinary shares issued and issuable ('000)	<u>587,786</u>	<u>587,788</u>
Basic loss per share (sen)	<u>(0.75)</u>	<u>(1.88)</u>
Fully diluted loss per share (sen)	<u>(0.61)</u>	<u>(1.54)</u>

**25. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the directors on 25 August 2022.