

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2018**

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30-Jun-18 RM'000	Preceding year corresponding quarter 30-Jun-17 RM'000	Unaudited Current year 30-Jun-18 RM'000	Audited Preceding year to date 30-Jun-17 RM'000
Revenue	119,304	114,582	843,057	498,319
Cost of sales	(101,981)	(54,985)	(706,927)	(356,582)
<b>Gross profit</b>	17,323	59,597	136,130	141,737
Other income	5,190	21,460	45,488	34,447
Administration expenses	(985)	(14,457)	(61,958)	(36,036)
Profit from operations	21,528	66,600	119,660	140,148
Finance costs	(4,092)	(4,182)	(27,270)	(11,846)
Share of profit of equity-accounted associate	180	-	180	-
<b>Profit before tax</b>	17,616	62,418	92,570	128,302
Income tax expense	(1,355)	(11,559)	(14,183)	(4,357)
<b>Profit for the period/year</b>	16,261	50,859	78,387	123,945
Other comprehensive income/(expense):				
Exchange translation differences	19,213	(11,258)	(16,431)	(3,929)
<b>Total comprehensive income for the period/year</b>	35,474	39,601	61,956	120,016
Profit/(loss) for the period/year attributable to:				
Owners of the Company	18,093	41,683	60,570	94,911
Non-controlling interests	(1,832)	9,176	17,817	29,034
	16,261	50,859	78,387	123,945
Total comprehensive income attributable to:				
Owners of the Company	32,330	32,157	49,325	89,746
Non-controlling interests	3,144	7,444	12,631	30,270
	35,474	39,601	61,956	120,016
EBITDA	23,918	67,977	127,744	145,112
Earnings per share				
- Basic (Sen)	2.37	5.53	7.93	12.58

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2017.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
30 JUNE 2018**

	Unaudited as at 30-Jun-18 RM'000	Audited as at 30-Jun-17 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	83,242	70,247
Intangible assets	90,528	86,595
Investment in an associated company	309	-
Derivative financial instruments	13,473	4,570
Concession assets	435,504	416,174
<b>Total non-current assets</b>	<b>623,056</b>	<b>577,586</b>
<b>Current assets</b>		
Amount due from contract customers	724,537	342,643
Concession assets	49,459	26,301
Inventories	33,628	39,517
Trade receivables	122,391	95,794
Other receivables, deposits and prepayments	36,841	53,615
Amount due from related companies	81	39
Tax recoverable	18,756	14,465
Cash and bank balances	118,724	22,150
<b>Total current assets</b>	<b>1,104,417</b>	<b>594,524</b>
<b>Total assets</b>	<b>1,727,473</b>	<b>1,172,110</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
30 JUNE 2018 (CONT'D)**

	<b>Unaudited as at 30-Jun-18 RM'000</b>	<b>Audited as at 30-Jun-17 RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	212,670	211,265
Reserves	246,059	196,734
	458,729	407,999
Non-controlling interests	68,998	56,367
<b>Total equity</b>	<b>527,727</b>	<b>464,366</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Finance lease liabilities	604	654
Loans and borrowings	372,932	274,362
Trade payables	30,792	31,275
Deferred tax liabilities	241	241
<b>Total non-current liabilities</b>	<b>404,569</b>	<b>306,532</b>
<b>Current liabilities</b>		
Amount due to contract customers	-	2,456
Trade payables	392,891	130,746
Other payables and accruals	20,070	27,211
Amount due to Directors	-	626
Finance lease liabilities	522	1,267
Loans and borrowings	364,392	231,166
Tax payable	17,302	7,740
<b>Total current liabilities</b>	<b>795,177</b>	<b>401,212</b>
<b>Total liabilities</b>	<b>1,199,746</b>	<b>707,744</b>
<b>Total equity and liabilities</b>	<b>1,727,473</b>	<b>1,172,110</b>
<b>Net assets per share (Sen)</b>	<b>69.05</b>	<b>60.83</b>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2017.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2018**

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Exchange translation reserve RM'000	Merger reserve RM'000	Retained earnings RM'000			
<b>As at 1 July 2017</b>	211,265	(186)	(33,137)	230,057	407,999	56,367	464,366
Profit for the financial year	-	-	-	60,570	60,570	17,817	78,387
Other comprehensive expense for the financial year	-	(11,245)	-	-	(11,245)	(5,186)	(16,431)
Total comprehensive income for the financial year	-	(11,245)	-	60,570	49,325	12,631	61,956
<b>Transactions with owners:</b>							
Issue of share capital	1,405	-	-	-	1,405	-	1,405
<b>As at 30 June 2018</b>	212,670	(11,431)	(33,137)	290,627	458,729	68,998	527,727

\*As at 30 June 2018, the share premium recorded at RM20,418,443.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2018 (CONT'D)**

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	← Non-distributable →		Distributable				
	Share capital RM'000	Exchange translation reserve RM'000	Merger reserve RM'000	Retained earnings RM'000			
<b>As at 1 July 2016</b>	182,676	4,979	(33,137)	161,533	316,051	26,097	342,148
Profit for the financial year	-	-	-	94,911	94,911	29,034	123,945
Other comprehensive (expenses)/ income for the financial year	-	(5,165)	-	-	(5,165)	1,236	(3,929)
Total comprehensive income for the financial year	-	(5,165)	-	94,911	89,746	30,270	120,016
<b>Transactions with owners:</b>							
Issue of share capital	8,278	-	-	(3,918)	4,360	-	4,360
Dividend paid	-	-	-	(22,470)	(22,470)	-	(22,470)
Share issuance expenses	(108)	-	-	-	(108)	-	(108)
Transition to no par-value regime on 31 January 2017	20,420	-	-	-	20,420	-	20,420
<b>As at 30 June 2017</b>	211,266	(186)	(33,137)	230,056	407,999	56,367	464,366

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2017.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Unaudited</b>	<b>Audited</b>
	<b>30-Jun-18</b>	<b>30-Jun-17</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	92,570	128,302
Adjustments for:		
Amortisation of intangible assets	3,178	-
Share of profit of equity-accounted associate	(180)	-
Depreciation of property, plant and equipment	4,906	4,964
Fair value gain on derivative financial instruments	(8,904)	(880)
Gain on disposal of property, plant and equipment	(80)	(114)
Interest expense	25,876	24,001
Interest income	(130)	(67)
Interest income arising from concession assets	(35,852)	(19,376)
Property, plant and equipment written off	-	26
Share grant expenses	1,405	-
Unwinding discount of financial liability	1,394	(3,021)
Unrealised loss/(gain) on foreign exchange	11,047	(10,349)
Operating profit before working capital changes	95,230	123,486
Changes in working capital:		
Inventories	5,889	29,716
Receivables	(14,405)	(46,442)
Payables	242,357	122,764
Concession assets	(33,066)	(189,171)
Contract customers	(383,956)	(142,606)
Cash used in operations	(87,951)	(102,253)
Tax paid	(4,621)	(12,046)
Net cash used in operating activities	(92,572)	(114,299)
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Advance to related companies	-	(5)
Interest received	130	67
Proceeds from disposal of property, plant and equipment	80	167
Purchase of property, plant and equipment	(17,849)	(24,992)
Uplift of bank balances pledged	-	43
Uplift of fixed deposits with licensed financial institutions	-	460
Advance to an associated company	(81)	-
Acquisition of intangible assets	(2,599)	-
Acquisition of subsidiary, net of cash	(9,633)	(4,500)
Acquisition of an associated company	(137)	-
Net cash used in investing activities	(30,089)	(28,760)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018 (CONT'D)**

	<b>Unaudited</b>	<b>Audited</b>
	<b>30-Jun-18</b>	<b>30-Jun-17</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment to Directors	(626)	(256)
Dividend paid	-	(2,051)
Proceeds from issuance of ordinary shares, net of share issuance expenses	-	4,252
Interest paid	(25,876)	(24,553)
Drawdown from borrowings	683,063	173,737
Repayment of borrowings	(440,884)	(2,777)
Net cash from financing activities	215,677	148,352
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	93,016	5,293
Cash and cash equivalents at beginning of the year	15,298	9,964
Effect of foreign exchange translation	657	41
Cash and cash equivalents at end of the year	108,971	15,298

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2017.

## PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

### A1. Accounting policies and basis of preparation

The condensed financial report is unaudited and has been prepared in accordance with MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed financial report should be read in conjunction with the audited financial statements presented in Annual Report for the financial year ended 30 June 2017.

The explanatory notes attached to the condensed financial report 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, its subsidiaries, associate and jointly-controlled entity since the financial year ended 30 June 2017.

The accounting policies and methods of computation adopted by the Company in this condensed financial report are consistent with those adopted in the most recent annual financial report for the year ended 30 June 2017, except for the adoption of the following amendments to MFRS:

#### Amendments to MFRS effective for financial periods beginning on or after 1 January 2017:

Amendments to MFRS 107	Statement of Cash Flows: Disclosure Initiatives
Amendments to MFRS 112	Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above amendments to MFRS does not have material impact on the financial statements of the Group.

#### **New MFRS, Amendments to MFRS and IC Interpretation issued but not yet effective**

At the date of authorisation of the condensed financial report, the following new MFRS, amendments to MFRS and IC Interpretation were issued but not yet effective and have not been applied by the Group:

#### New MFRS, Amendments to MFRS and IC Interpretation effective for financial periods beginning on or after 1 January 2018:

MFRS 9	Financial Instruments IFRS 9 Issued by International Accounting Standards Board (“IASB”) in July 2014
MFRS 15	Revenue from Contracts with Customers
MFRS 15	Revenue from Contracts with Customers: Clarifications to MFRS 15
Amendments to MFRS 2	Share-based Payment: Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 4*#	Insurance Contracts: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts



## PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

### A1. Accounting policies and basis of preparation (Cont'd)

New MFRS, Amendments to MFRS and IC Interpretation effective for financial periods beginning on or after 1 January 2018 (continued):

IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Annual Improvements to MFRS Standards 2014 – 2016 Cycle (except for amendments to MFRS 12	Disclosures of Interests in Other Entities)*

MFRS effective for financial periods beginning on or after 1 January 2019:

MFRS 16	Leases
Amendments to MFRS 128	Long-terms Interest in Associates and Joint Ventures.
Investments in Associates and	
Joint Ventures	
IC Interpretation 23*	Uncertainty over Income Tax Treatments
Annual Improvements to MFRS Standards 2015-2017 Cycle	

MFRS effective for financial periods beginning on or after 1 January 2021:

MFRS 17*#	Insurance Contracts
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Amendments to MFRSs (deferred effective date to be announced by the MASB)

Amendments to MFRS 10 and	Sale or Contribution of Assets between an Investor and its Associate
MFRS 128	or Joint Venture

\* Not applicable to the Group’s operations

# Not applicable to the Company’s operation

The initial application of the above standards, amendments and interpretation are not expected to have any financial impacts to the financial statements, except for:

#### MFRS 9 Financial Instruments

MFRS 9 replaces MFRS 139 *Financial Instruments: Recognition and Measurement* and all previous version of MFRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under the scope of MFRS 9, new “expected credit loss model” under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions. Upon adoption of MFRS 9, financial assets will be measured at either fair value or amortised cost. It is also expected that the Group’s investment in unquoted shares will be measured at fair value through other comprehensive income.

The adoption of MFRS 9 will result in a change in accounting policy. The Group and the Company are currently examining the financial impact of adopting MFRS 9.

## PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

### A1. Accounting policies and basis of preparation (Cont'd)

#### MFRS 15 Revenue from Contracts with Customers

MFRS 15 presents new requirements for the recognition of revenue, replacing the guidance of MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC Int 13 *Customer Loyalty Programmes*, IC Int 15 *Agreements for Construction of Real Estate*, IC Int 18 *Transfers of Assets from Customers* and IC Int 131 *Revenue – Barter Transaction Involving Advertising Services*. The principles in MFRS 15 provide a more structured approach to measuring and recognising revenue. It establishes a new five-step model that will apply to revenue arising from contracts with customers. Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The adoption of MFRS 15 will result in a change in accounting policy. The Group and the Company are currently assessing the impact of MFRS 15 and plans to adopt the new standards on the required effective date.

#### MFRS 16 Leases

MFRS 16 replaces MFRS 117 *Leases*. MFRS 16 eliminates the distinction between finance and operating leases for lessees. As off-balance sheet will no longer be allowed except for some limited practical exemptions, all leases will be brought onto the statement of financial position by recognising a “right-of-use” asset and a lease liability. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its statement of financial position are expected to be different compared with the current position.

The Group and the Company are currently assessing the impact of MFRS 16 and plans to adopt the new standard on the required effective date.

### A2. Seasonal or cyclical factors

The Group’s operations are not subjected to seasonal or cyclical factors.

### A3. Items of unusual nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial quarter ended 30 June 2018.

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A4. Material changes in estimates**

There were no changes in estimates of amounts reported in prior financial year that have had a material effect for the current financial quarter ended 30 June 2018.

**A5. Changes in debt and equity securities**

There was no issuance, cancellation, repurchase, resale and repayments of debt and equity securities during the current financial quarter ended 30 June 2018.

**A6. Dividend paid**

There was no dividend paid during the current financial quarter ended 30 June 2018.

**A7. Changes in composition of the Group**

There were no changes in the composition of the Group for the current financial quarter ended 30 June 2018.

**A8. Valuation of property, plant and equipment**

There is no valuation of property, plant and equipment for the current financial quarter ended 30 June 2018.

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A9. Segmental information**

The Group is organised into business units based on their products and services, which comprises the following:

	←	Results for the quarter ended 30 June 2018			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>					
External	-	116,690	2,614	-	119,304
Inter-segment	4,370	82,659	2,675	(89,704)	-
Total revenue	4,370	199,349	5,289	(89,704)	119,304
Interest income	-	(1,096)	-	-	(1,096)
Finance costs	-	(3,968)	(124)	-	(4,092)
<b>Net finance expenses</b>	-	(5,064)	(124)	-	(5,188)
Segment profit before tax	9,753	104,301	84	(96,522)	17,616
Segment profit after tax	9,694	103,664	50	(97,147)	16,261

	←	Results for the quarter ended 30 June 2017			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>					
External	-	109,788	4,794	-	114,582
Inter-segment	799	81,248	932	(82,979)	-
Total revenue	799	191,036	5,726	(82,979)	114,582
Interest income	-	25	-	-	25
Finance costs	-	(4,182)	-	-	(4,182)
<b>Net finance expenses</b>	-	(4,157)	-	-	(4,157)
Segment profit before tax	8,525	27,605	765	25,523	62,418
Segment profit after tax	6,941	17,957	724	25,237	50,859

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A9. Segmental information (Cont'd)**

The Group is organised into business units based on their products and services, which comprises the following (Cont'd):

	←	Results for the year ended 30 June 2018			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>					
External	-	819,003	24,054	-	843,057
Inter-segment	6,352	230,122	5,897	(242,371)	-
Total revenue	6,352	1,049,125	29,951	(242,371)	843,057
Interest income	-	35,981	1	-	35,982
Finance costs	-	(27,097)	(173)	-	(27,270)
<b>Net finance income/ (expenses)</b>	-	8,884	(172)	-	8,712
Segment profit/ (loss) before tax	(2,828)	337,509	553	(242,664)	92,570
Segment profit/ (loss) after tax	(2,887)	327,285	313	(246,324)	78,387

	←	Results for the year ended 30 June 2017			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>					
External	-	488,028	10,291	-	498,319
Inter-segment	1,756	204,006	4,091	(209,853)	-
Total revenue	1,756	692,034	14,382	(209,853)	498,319
Interest income	-	68	-	-	68
Finance costs	-	(11,823)	(23)	-	(11,846)
<b>Net finance expenses</b>	-	(11,755)	(23)	-	(11,778)
Segment profit before tax	8,420	109,266	2,293	8,323	128,302
Segment profit after tax	6,819	102,263	2,169	12,694	123,945

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A10. Income tax expense**

	<b>Current year quarter ended 30-Jun-18 RM'000</b>	<b>Preceding year corresponding quarter 30-Jun-17 RM'000</b>	<b>Unaudited Current year to date 30-Jun-18 RM'000</b>	<b>Audited Preceding year to date 30-Jun-17 RM'000</b>
Current year tax expenses	(1,355)	(11,559)	(14,183)	(4,357)

Income tax is calculated at Malaysian statutory tax rate of 24% (2017: 24%) of the estimated assessable profit for the financial period/year.

Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

**A11. Earnings per share**

**A11.1. Basic earnings per share**

The calculation of basic earnings per share for the financial period/year is based on the net profit attributable to owners of the Company and divided by the weighted average number of ordinary shares outstanding during the financial period/year.

	<b>Current year quarter ended 30-Jun-18</b>	<b>Preceding year corresponding quarter 30-Jun-17</b>	<b>Unaudited Current year to date 30-Jun-18</b>	<b>Audited Preceding year to date 30-Jun-17</b>
Profit attributable to owners of the Company (RM'000)	18,093	41,683	60,570	94,911
Weighted average number of ordinary shares in issue ('000)	763,604	754,334	763,604	754,334
<b>Basic earnings per share (Sen)</b>	<b>2.37</b>	<b>5.53</b>	<b>7.93</b>	<b>12.58</b>

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING****A11. Earnings per share (Cont'd)****A11.2. Diluted earnings per share**

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the financial period/year under review.

**A12. Property, plant and equipment**

During the current financial quarter ended 30 June 2018, the Group acquired assets at a cost of RM5.5 million.

**A13. Trade receivables**

The trade receivables of the Group were as follows:

	<b>Unaudited as at 30-Jun-18 RM'000</b>	<b>Audited as at 30-Jun-17 RM'000</b>
Trade receivables	64,042	58,991
Retention sums on contracts	58,349	36,803
	<b>122,391</b>	<b>95,794</b>

**A14. Cash and bank balances**

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents comprising the following:

	<b>Unaudited as at 30-Jun-18 RM'000</b>	<b>Audited as at 30-Jun-17 RM'000</b>
Cash and bank balances	118,724	22,150
Bank overdrafts	(9,753)	(6,852)
	<b>108,971</b>	<b>15,298</b>

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A15. Borrowings and debts securities**

Total borrowings of the Group were as follows:

	Unaudited as at 30-Jun-18 RM'000	Audited as at 30-Jun-17 RM'000
<b>Non-current liabilities</b>		
Secured:		
Finance lease liabilities	604	654
Term loans	372,932	274,362
	<b>373,536</b>	<b>275,016</b>
<b>Current liabilities</b>		
Secured:		
Finance lease liabilities	522	1,267
Term loans	27,719	4,768
Bank overdrafts	9,753	6,852
Banker acceptances	64,487	24,736
Trust receipts	168,496	92,766
Revolving credit	90,670	99,509
Foreign currency trade finance	3,267	2,535
	<b>364,914</b>	<b>232,433</b>
	<b>738,450</b>	<b>507,449</b>

The currencies exposure profile of borrowings of the Group was as follows:

	Unaudited as at 30-Jun-18 RM'000	Audited as at 30-Jun-17 RM'000
Ringgit Malaysia	343,654	202,440
United States Dollar	387,785	303,024
Euro	4,743	1,871
Australian Dollar	2,268	-
Chinese Yuan Renminbi	-	114
	<b>738,450</b>	<b>507,449</b>



**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A16. Material event subsequent to the end of financial period/year reported**

Following the submission of the amended Articles of Incorporation to the Ministry of Commerce of Cambodia ("MOC") on 30 May 2018, Pestech (Cambodia) PLC ("PCL") has received notification on 2 July 2018 that the MOC has vide its letter dated 27 June 2018 approved the following:

- (i) Increase in registered capital of PCL from KHR4,000,000 (USD1,000) to KHR28,400,000,000 (USD7,100,000);
- (ii) Decrease in par value of PCL Shares from KHR4,000 (USD1.00) to KHR400 (USD0.10);
- (iii) Registration of issued and fully paid share capital of 71,000,000 PCL Shares, with a par value of KHR400 (USD0.10) per PCL Share;
- (iv) PIB being a direct shareholder of PCL holding 71,000,000 PCL Shares;
- (v) Appointment of new members of the Board of Directors of PCL namely, Lim Pay Chuan (Chairman), Lim Ah Hock (Director), Han Fatt Juan (Director) and Tan Pu Hooi (Director);
- (vi) Change of PCL’s legal form from “Private Limited Company” to “Public Limited Company”; and
- (vii) Change of PCL’s name from “PESTECH (Cambodia) Limited” to “PESTECH (Cambodia) PLC”

On 9 July 2018, PCL has received notification from Securities and Exchange Commission of Cambodia ("SECC"), vide its letter dated 6 July 2018, granted the approval-in-principle to PCL, for the Proposed Listing in the Kingdom of Cambodia in accordance with the laws and regulations in force.

Further, SECC has granted the approval-in-principle and the registration-in-principle for the Disclosure Document of the Proposed Listing, subject to the following conditions:

- (i) PCL shall appoint an independent director, establish an audit committee, a risk management committee and an internal audit unit and shall furnish to the SECC the underwriting agreement prior to obtaining the final approval from the SECC on the Proposed Listing; and
- (ii) PCL and responsible parties for the Proposed Listing as well as other stakeholders shall determine the share price based on the Disclosure Document which has been approved-in-principle and registered-in-principle by the SECC and in compliance with the laws and regulations as well as other relevant guidelines of the SECC.

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A16. Material event subsequent to the end of financial period/year reported (Cont'd)**

On 23 August 2018, Pestech Sdn Bhd ("PSB"), a wholly-owned subsidiary company of the Company, accepted a Notification of Award from Syarikat SESCO Berhad (a subsidiary of Sarawak Energy Berhad) for the Sibiyu 132/33kV Substation Project at a total contract value of RM57,950,000 (referred to as the “Project”). The duration of the Project is 28 months and its commencement date shall be 3 September 2018.

**A17. Financial guarantees**

Corporate guarantees extended by the Company to financial institutions for credit facilities granted to subsidiaries as at the end of the reporting period were as follows:

	<b>Unaudited as at 30-Jun-18 RM'000</b>	<b>Audited as at 30-Jun-17 RM'000</b>
Secured outstanding as at:		
Finance lease liabilities of subsidiaries	1,126	1,921
Loan and borrowings of subsidiaries	737,324	505,528

The corporate guarantees do not have a determinable effect on the terms of the credit facilities due to banks, financial institutions and suppliers requiring parent guarantees as a pre-condition for approving the credit facilities granted to the subsidiaries. The actual terms of the credit facilities are likely to be the best indicator of “at market” terms and hence the fair value of the credit facilities is equal to the credit facilities amount received by the subsidiaries. As such, there is no value on corporate guarantee to be recognised in the financial statements.

**A18. Capital commitments**

The outstanding capital commitments at the end of the financial year were as follows:

	<b>Unaudited as at 30-Jun-18 RM'000</b>	<b>Audited as at 30-Jun-17 RM'000</b>
Amount authorised and contracted for property, plant and equipment	4,301	14,207

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**

**A19. Significant related party transactions**

The Group had the following transactions during the financial year under review with the related parties in which certain directors of the Company have substantial financial interest:

	<b>Unaudited as at 30-Jun-18 RM'000</b>	<b>Audited as at 30-Jun-17 RM'000</b>
Related companies by virtue of common shareholders: Purchased of material and services rendered	16,284	25,264

**PART B : ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

**B1. Review of performance**

**(a) Performance of the current quarter against the same quarter in the preceding year**

	Current year quarter 30-Jun-18 RM'000	Preceding year corresponding quarter 30-Jun-17 RM'000	Changes	
			RM'000	%
Revenue	119,304	114,582	4,722	4%
Profit before tax	17,616	62,418	(44,802)	-72%
Profit after tax	16,261	50,859	(34,598)	-68%

The revenue of the Group for the quarter under review was RM119.3 million which was RM4.7 million or 4% higher than the preceding year corresponding quarter which amounted to RM114.6 million.

The Group reported a profit before tax ("PBT") of RM17.6 million for the current quarter as compared to RM62.4 million in the preceding year corresponding quarter. The lower PBT was mainly due to a lower other income of RM5.2 million in the current quarter under review as compared to RM21.5 million in the preceding year corresponding quarter. Moreover, the higher gross profit margin in the preceding year corresponding quarter was contributed by a reclassification of project insurance expense to prepayment, to be written-off over the contract period.

The revenue of current quarter reflected the execution of on-going projects of the Group. The profit for current quarter was affected by the execution stages of certain projects, which is reflective of the EPC construction activities.

**(b) Performance of the current year against the preceding year**

During the financial year ended 30 June 2018, the Group recorded a revenue of RM843.05 million as compared to RM498.3mil in the preceding financial year. The growth was mainly driven by higher contribution from the Transmission and Rail Electrification segments of our core business.

The Group recorded a gross profit margin of 16% for the year under review as compared to 28% in the preceding year. The lower gross profit margin in the current financial year under review was mainly due to different stages of project execution and the margin of each project whereby they were predominantly at the stage of design and foundation construction. In addition, the financial elements of the concession assets amounting to RM35.9 million was recognised as other income instead of revenue in accordance to IC Interpretation 12 *Service Concession Arrangements*.

The Group achieved PBT of RM92.6 million which represents 28% decreased in PBT as compared to the preceding year.

**PART B : ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

**B1. Review of performance (Cont'd)**

**(b) Performance of the current year against the preceding year (Cont'd)**

During the current financial year, revenue for Project segment was recorded at RM819.0 million as compared to RM488.0 million in the preceding year. This was mainly due to more projects and higher progressive construction revenue recognised.

The Products segment recorded revenue of RM24.1 million during the year ended 30 June 2018 as compared to RM10.3 million in preceding year. This was mainly due to higher demand from customers

**B2. Profit before tax**

Included in the profit before tax are the following items:

	<b>Current year quarter 30-Jun-18 RM'000</b>	<b>Preceding year corresponding quarter 30-Jun-17 RM'000</b>	<b>Unaudited Current year 30-Jun-18 RM'000</b>	<b>Audited Preceding year to date 30-Jun-17 RM'000</b>
Amortisation of intangible assets	1,141	-	3,178	-
Depreciation of property, plant and equipment	1,248	1,377	4,906	4,964
Fair value gain on derivative financial instruments	(32,505)	(880)	(8,904)	(880)
Gain on disposal of property, plant and equipment	-	(2)	(80)	(114)
Interest expense	2,698	4,182	25,876	24,001
Interest income	(62)	(25)	(130)	(67)
Interest income arising from concession assets	1,158	19,376	(35,852)	(19,376)
Property, plant and equipment written off	-	26	-	26
Unwinding discount of financial liability	328	-	1,394	(3,021)
Unrealised loss/(gain) on foreign exchange	7,853	928	11,047	(10,349)

**PART B : ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

### **B3. Prospects**

The Group ended the 2018 financial year recording a 69% growth in business volume as compared to the previous financial year. The trend of business growth is sustained via the overall strategy of diversifying the business reach within the power infrastructure market, such as through the involvement in the rail electrification segment. Going forward, the strategic focus will be maintained to fully garner the benefit of the diversification, especially in the Southeast Asian region.

In the upcoming financial year, the Group will continue to forge intragroup cohesiveness and integration in order to deliver more comprehensive value added power infrastructure solutions through servicing a wider coverage of a variety of power industry requirements. In that regard, and backed by an order book of RM1.63 billion, the Group is anticipating a sustainable growth in the forthcoming financing year.

In the midst of expanding business volume, the management will also focus on cost optimization and technological enhancement via improvement in operational efficiency and working closely with technological partners to increase our overall competitiveness in the regional markets.

The Group will also explore opportunities to collaborate with established power industry players to develop new market regionally by leveraging on each other's strengths and expertise. It is hopeful that through the potential collaboration, PESTECH will be able to undertake higher value projects, which may act as an avenue to support long term growth of the Group.

### **B4. Profit forecast and profit guarantee**

There were no profit forecast or profit guarantee in any public document by the Group.

### **B5. Material litigation**

There were no material litigation as at the date of issuance of this quarterly report.

### **B6. Dividend**

There were no dividends declared during the current financial quarter under review.

**PART B : ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)**

**B7. Auditors' report**

There were no qualifications to the audited financial statements of PESTECH Group for previous financial year ended 30 June 2017.

**B8. Status of corporate proposal**

In addition to the disclosure in Note A16, the status of the Proposed Listing is updated as per below:

With the SECC's approval-in-principle for the Proposed Listing, approval-in-principle and registration-in-principle for the Disclosure Document, and subsequently final approval to be obtained from the SECC, the Proposed Listing is now subject to and conditional upon the remaining approvals being obtained from the following parties/ authorities:

- (i) the approval of CSX for the admission of PCL to its official list and the listing of and quotation for PCL's entire enlarged issued and fully paid share capital on the Main Board of CSX;
- (ii) the approval of the shareholders of PIB for the Proposed Listing at an Extraordinary General Meeting to be convened; and
- (iii) any other relevant authorities and/or parties, if required.

**B9. Authorisation for issue**

The interim financial report was authorised for issue by the Board of Directors.