

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2019**

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30-Jun-19 RM'000	Preceding year corresponding quarter 30-Jun-18 RM'000	Unaudited Current year 30-Jun-19 RM'000	Audited Preceding year to date 30-Jun-18 RM'000
Revenue	285,257	119,304	810,038	834,910
Cost of sales	(225,896)	(101,981)	(658,331)	(706,447)
Gross profit	59,361	17,323	151,707	128,463
Other income	13,156	5,190	61,008	46,712
Administration expenses	(15,306)	(985)	(62,369)	(59,741)
Profit from operations	57,211	21,528	150,346	115,434
Finance costs	(15,675)	(4,092)	(52,813)	(23,014)
Share of profit of equity-accounted associate	-	180	-	180
Profit before tax	41,536	17,616	97,533	92,600
Income tax expense	(5,225)	(1,355)	(9,709)	(16,813)
Profit for the period/year	36,311	16,261	87,824	75,787
Other comprehensive income/(expense):				
Exchange translation differences	2,660	19,213	6,413	(15,230)
Fair value loss on derivative financial instruments	(7,528)	-	(7,528)	-
Total comprehensive income for the period/year	31,443	35,474	86,709	60,557
Profit for the period/year attributable to:				
Owners of the Company	34,216	18,093	80,224	57,970
Non-controlling interests	2,095	(1,832)	7,600	17,817
	36,311	16,261	87,824	75,787
Total comprehensive income for the period/year attributable to:				
Owners of the Company	28,069	32,330	76,592	47,862
Non-controlling interests	3,374	3,144	10,117	12,695
	31,443	35,474	86,709	60,557
EBITDA	60,590	23,918	162,638	123,679
Earnings per share				
- Basic (Sen)	4.48	2.37	10.50	7.59

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 2018.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2019**

	Note	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		91,012	83,177
Intangible assets		87,293	90,520
Investment in an associated company		318	309
Derivative financial instruments		7,211	13,474
Concession asset		462,496	435,503
Total non-current assets		648,330	622,983
Current assets			
Amount due from contract customers		955,998	708,639
Concession asset		50,041	49,459
Inventories		33,481	33,882
Trade receivables	A13	211,585	122,391
Other receivables, deposits and prepayments		42,318	33,541
Amount due from related companies		-	81
Tax recoverable		18,285	18,093
Cash and bank balances	A14	168,416	118,608
Total current assets		1,480,124	1,084,694
Total assets		2,128,454	1,707,677

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2019 (CONT'D)**

	Note	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital		212,672	212,672
Reserves		262,480	244,596
		475,152	457,268
Non-controlling interests		79,179	69,062
Total equity		554,331	526,330
LIABILITIES			
Non-current liabilities			
Finance lease liabilities	A15	5,763	582
Loans and borrowings	A15	648,792	372,428
Derivatives financial instruments		7,540	-
Deferred tax liabilities		336	241
Total non-current liabilities		662,431	373,251
Current liabilities			
Amount due to contract customers		-	5,827
Trade payables		493,732	392,356
Other payables and accruals		23,891	28,770
Amount due to Directors		-	31
Finance lease liabilities	A15	1,176	544
Loans and borrowings	A15	382,579	362,605
Tax payable		10,314	17,963
Total current liabilities		911,692	808,096
Total liabilities		1,574,123	1,181,347
Total equity and liabilities		2,128,454	1,707,677
Net assets per share (Sen)		72.79	60.86*

* As at 30 June 2018, net assets per share is restated at RM0.61 with the initial application of new accounting standards, MFRS 15 Revenue from Contracts with Customer.

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 2018.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2019

	← Attributable to owners of the Company →					Retained earnings RM'000	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	Capital reserve RM'000	Fair value reserve RM'000				
As at 1 July 2018	212,672	(10,294)	(33,137)	8,534	-	279,493	457,268	69,062	526,330
Effect of adoption of MFRS15 (Note A1)	-	-	-	-	-	(58,708)	(58,708)	-	(58,708)
Profit for the financial year	-	-	-	-	-	80,224	80,224	7,600	87,824
Other comprehensive income for the financial year	-	3,896	-	-	(7,528)	-	(3,632)	2,517	(1,115)
Total comprehensive income for the financial year	-	3,896	-	-	(7,528)	80,224	76,592	10,117	86,709
As at 30 June 2019	212,672	(6,398)	(33,137)	8,534	(7,528)	301,009	475,152	79,179	554,331

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2019 (CONT'D)

	← Attributable to owners of the Company →				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	← Non-distributable →		Retained earnings RM'000			
		Exchange translation reserve RM'000	Merger reserve RM'000				
As at 1 July 2017	211,265	(186)	(33,137)	230,057	407,999	56,367	464,366
Profit for the financial year	-	-	-	57,970	57,970	17,817	75,787
Other comprehensive expenses for the financial year	-	(10,108)	-	-	(10,108)	(5,122)	(15,230)
Total comprehensive income for the financial year	-	(10,108)	-	57,970	47,862	12,695	60,557
Transactions with owners:							
Issue of share capital	1,405	-	-	-	1,405	-	1,405
As at 30 June 2018	212,670	(10,294)	(33,137)	288,027	457,266	69,062	526,328

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 2018.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Unaudited 30-Jun-19 RM'000	Audited 30-Jun-18 RM'000
OPERATING ACTIVITIES		
Profit before tax	97,533	92,600
Adjustments for:		
Amortisation of intangible assets	5,124	3,177
Bad debts written off	-	240
Amortisation of unwinding discount of financial liability	1,482	-
Depreciation of property, plant and equipment	7,168	5,068
Fair value gain on derivative financial instruments	(2,060)	(8,904)
Unwinding discount of financial liability	(8,666)	-
Gain on disposal of property, plant and equipment	(933)	(78)
Interest expense	51,331	37,967
Interest income	(386)	(130)
Interest income arising from concession asset	(39,690)	(35,852)
Share grant expenses	-	1,407
Share of profit of equity-accounted associate	-	(180)
Unrealised (gain)/loss on foreign exchange	(8,201)	12,212
Operating profit before working capital changes	102,702	107,527
Changes in working capital:		
Inventories	401	5,633
Receivables	(97,970)	333
Payables	99,727	232,775
Concession asset	23,646	(33,503)
Contract customers	(297,270)	(383,353)
Cash used in operations	(168,764)	(70,588)
Tax refunded	-	275
Tax paid	(17,455)	(9,811)
Net cash used in operating activities	(186,219)	(80,124)
INVESTING ACTIVITIES		
Interest received	386	130
Proceeds from disposal of property, plant and equipment	933	78
Purchase of property, plant and equipment*	(7,730)	(16,982)
Advance to an associated company	81	(42)
Acquisition of intangible assets	(33)	-
Acquisition of subsidiary, net of cash	-	(9,836)
Acquisition of an associated company	-	(137)
Proceeds from utilisation of derivative financial instruments	8,323	-
Net cash from/(used in) investing activities	1,960	(26,789)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019 (CONT'D)

	Unaudited	Audited
	30-Jun-19	30-Jun-18
	RM'000	RM'000
FINANCING ACTIVITIES		
Repayment to Directors	-	(594)
Interest paid	(51,331)	(37,598)
Drawdown from borrowings	734,531	683,063
Repayment of borrowings	(457,350)	(443,685)
Net cash from financing activities	225,850	201,186
CASH AND CASH EQUIVALENTS		
Net changes	41,591	94,273
Cash and cash equivalents at beginning of the year	108,859	15,298
Effect of foreign exchange translation	(783)	(712)
Cash and cash equivalents at end of the year	149,667	108,859

* During the financial year, the aggregate costs of property, plant and equipment acquired by means of:

	30-Jun-19	30-Jun-18
	RM'000	RM'000
Purchase of property, plant and equipment	14,864	17,526
Finance by way of finance lease arrangements	(7,134)	(544.00)
Cash payments on purchase of property, plant and equipment	7,730	16,982

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 2018.

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 2018.

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 and associate since the financial year ended 30 June 2018.

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 2018, except for the adoption of the following:

New MFRSs, Amendments to MFRSs and IC Interpretation effective 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
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
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)*	

The application of these MFRSs, amendments to MFRSs and IC interpretation did not result in significant changes in the accounting policies of the Group and had no significant effect on the financial statements of the Group except as disclosed below:

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 established a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 superseded previous revenue recognition guidance including *MFRS 118: Revenue*, *MFRS 111: Construction Contracts* and the related interpretations.

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) as performance obligation is satisfied, i.e when control of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group has adopted the new standard on the required effective date using the modified retrospective method and apply all the practical expedients available for the modified restrospective method.

The Group had reassessed the total financial impact on the Group's financial statements upon adoption of MFRS 15 on 1 July 2018 which have been summarised in the table below.

The financial impact from the initial adoption of MFRS 15 as at 1 July 2018 as follows:

	As previously reported RM'000	Retrospective adjustment of MFRS 15 RM'000	After MFRS 15 adjustment RM'000
Statement of financial position			
<u>Assets</u>			
Amount due from contract customers	708,639	(58,708)	649,931
<u>Equity</u>			
Retained earnings	279,493	(58,708)	220,785
Net assets per share (Sen)	68.86	(8.00)	60.86

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 9: Financial Instruments

MFRS 9 introduces new requirements for classification and measurements, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory.

i) Classification and measurements

Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analysed the contractual cash flows characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under MFRS 9. Therefore, reclassification for these instruments is not required.

ii) Impairment of financial assets

MFRS 9 requires the Group to record expected credit losses on all of its loans and trade receivables, either on a 12-month or lifetime basis. The Group apply the simplified approach and record lifetime expected losses on the trade receivables.

The trade receivables mainly consist of creditworthy debtors with good payment records and debtors with no concerns on the credit worthiness. The Group minimises credit risk by dealing credit rating counterparties and continuous monitoring procedures. There is no significant impact to the Group's financial statements from the impairment based on the expected credit loss model on its trade receivables.

For other non-trade receivables, there is no significant impact to the Group's financial statements.

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

MFRS, Amendments to MFRSs and IC Interpretation effective 1 January 2019:

MFRS 16	Leases
Amendments to MFRS 9*	Financial Instruments: Prepayment Feature with Negative Compensation
Amendments to MFRS 119	Post-employment Benefits: Defined Benefits Plans
Amendments to MFRS 128	Investments in Associates and Joint Ventures: Long-terms Interest in Associates and Joint Ventures
IC Interpretation 23*	Uncertainty over Income Tax Treatments
Annual Improvements to MFRS Standards 2015-2017 Cycle*	

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)

Amendments to MFRSs and IC Interpretation effective 1 January 2020:

Amendments to References to the Conceptual Framework in MFRS Standards (MFRS 2, 3, 6, 14, 101, 108, 134, 137, 138 and IC Interpretation 12, 19, 20, 22 and 132)

MFRS effective 1 January 2021:

MFRS 17*# Insurance Contracts

Amendments to MFRSs - effective date deferred indefinitely:

Amendments to MFRS 10 and Consolidated Financial Statements and Investments in Associates and Joint
MFRS 128 Ventures: Sale or Contribution of Assets between an Investor and its
Associate or Joint Venture

* Not applicable to the Group's operation

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 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 increase substantially.

MFRS 16 also:

- Changes the definition of a lease;
- Sets requirements on how to account for the asset and liability, including complexities such as non-lease elements, variable lease payments and option periods;
- Changes the accounting for sale and leaseback arrangements;
- Largely retains MFRS 117's approach to lessor accounting; and
- Introduces new disclosure requirements.

The Group is 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 subject to seasonal or cyclical factors.

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

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 2019.

A4. Material changes in estimates

There were no changes in estimates of amounts reported in previous financial year that have had a material effect for the current financial quarter ended 30 June 2019.

A5. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities during the current financial quarter ended 30 June 2019.

A6. Dividends paid

There were no dividends paid during the current financial quarter ended 30 June 2019.

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 2019.

A8. Valuation of property, plant and equipment

There were no valuation of property, plant and equipment for the current financial quarter ended 30 June 2019.

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 2019			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	280,558	4,699	-	285,257
Inter-segment	1,291	215,468	14,349	(231,108)	-
Total revenue	1,291	496,026	19,048	(231,108)	285,257
Interest income	-	11,681	-	-	11,681
Finance costs	-	(15,624)	(51)	-	(15,675)
Net finance expenses	-	(3,943)	(51)	-	(3,994)
Segment profit before tax	1,519	18,172	1,602	20,243	41,536
Segment profit after tax	1,519	12,947	1,602	20,243	36,311

	←	Results for the quarter ended 30 June 2018			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
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)
Net finance expenses	-	(5,064)	(124)	-	(5,188)
Segment profit/ (loss) before tax	9,753	104,301	84	(96,522)	17,616
Segment profit/ (loss) after tax	9,694	103,664	50	(97,147)	16,261

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 2019 —————→				
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	793,273	16,765	-	810,038
Inter-segment	4,535	356,856	27,617	(389,008)	-
Total revenue	4,535	1,150,129	44,382	(389,008)	810,038
Interest income	-	48,741	1	-	48,742
Finance costs	-	(52,560)	(253)	-	(52,813)
Net finance expenses	-	(3,819)	(252)	-	(4,071)
Segment profit before tax	1,989	51,482	1,570	42,492	97,533
Segment profit after tax	1,939	41,823	1,570	42,492	87,824

	←————— Results for the year ended 30 June 2018 —————→				
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	810,856	24,054	-	834,910
Inter-segment	6,352	230,122	5,897	(242,371)	-
Total revenue	6,352	1,040,978	29,951	(242,371)	834,910
Interest income	-	35,981	1	-	35,982
Finance costs	-	(22,841)	(173)	-	(23,014)
Net finance income/ (expenses)	-	13,140	(172)	-	12,968
Segment profit/ (loss) before tax	(2,828)	337,539	553	(242,664)	92,600
Segment profit/ (loss) after tax	(2,887)	324,685	313	(246,324)	75,787

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

A10. Income tax expense

	Current year quarter ended 30-Jun-19 RM'000	Preceding year corresponding quarter 30-Jun-18 RM'000	Unaudited Current year to date 30-Jun-19 RM'000	Audited Preceding year to date 30-Jun-18 RM'000
Tax expenses	(5,225)	(1,355)	(9,709)	(16,813)

Income tax is calculated at Malaysian statutory tax rate of 24% (2018: 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.

	Current year quarter ended 30-Jun-19	Preceding year corresponding quarter 30-Jun-18	Unaudited Current year to date 30-Jun-19	Audited Preceding year to date 30-Jun-18
Profit attributable to owners of the Company (RM'000)	34,216	18,093	80,224	57,970
Weighted average number of ordinary shares in issue ('000)	764,294	763,604	764,294	763,604
Basic earnings per share (Sen)	4.48	2.37	10.50	7.59

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 under review.

A12. Property, plant and equipment

During the current financial quarter ended 30 June 2019, the Group acquired assets at a cost of RM7.2 million.

A13. Trade receivables

The trade receivables of the Group were as follows:

	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
Trade receivables	115,577	64,278
Retention sums on contracts	96,008	58,113
	211,585	122,391

A14. Cash and bank balances

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

	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
Cash and bank balances	160,369	113,566
Short-term deposits with licensed institutions	8,047	5,042
	168,416	118,608
Bank overdrafts	(18,749)	(9,749)
	149,667	108,859

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-19 RM'000	Audited as at 30-Jun-18 RM'000
Non-current liabilities		
Secured:		
Finance lease liabilities	5,763	582
Term loans	648,792	372,428
	654,555	373,010
Current liabilities		
Secured:		
Finance lease liabilities	1,176	544
Term loans	42,124	25,954
Bank overdrafts	18,749	9,749
Banker acceptances	50,735	64,488
Trust receipts	131,468	171,744
Revolving credit	139,503	90,670
	383,755	363,149
	1,038,310	736,159

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

	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
Ringgit Malaysia	354,888	343,631
United States Dollar	681,748	387,785
Euro	1,674	4,743
	1,038,310	736,159

Included in term loan is RM649.1 million (30.06.2018: RM352.5 million) to part finance projects in Cambodia. The repayment of these term loan are ring fenced by the proceeds from the projects.

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 reported

On 9 August 2019, a wholly-owned subsidiary company, PESTECH Power Sdn. Bhd. (“PPW”), incorporated a 100%-owned subsidiary namely PESTECH Power Two Sdn. Bhd. (“PP2”) under the Companies Act 2016 as a private company limited by shares. The total issued share capital of PP1 is RM1.00 comprising 1 ordinary shares. The intended principal activity of PP2 is to carry on the business of establishing, commission, setting up, operating, maintaining, distributing, dealing and acquiring any manner of electric power generation concessions.

On 14 August 2019, a wholly-owned subsidiary company, PESTECH Power Sdn. Bhd. (“PPW”), a wholly-owned subsidiary namely PESTECH Power Two Sdn. Bhd. (“PP2”), a wholly-owned subsidiary namely PESTECH Power One Sdn. Bhd. (“PP1”), completed the acquisition of 1 ordinary share in Astoria Solar Farm Sdn. Bhd. (“ASF”) at a consideration of RM1.00. ASF is principally involved in the business of provision of engineering, procurements, constructions, commissioning and consultancy services for solar photovoltaic system and operation of solar power farm under photovoltaic system. Post completion of the Acquisition, ASF becomes a wholly-owned subsidiary of PESTECH.

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

	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
Secured outstanding as at:		
Finance lease liabilities of the Group	6,939	1,126
Loan and borrowings of subsidiaries	1,031,371	735,033

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 period were as follows:

	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
Amount authorised and contracted for property, plant and equipment	-	9,462

A19. Significant related party transactions

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

	Unaudited as at 30-Jun-19 RM'000	Audited as at 30-Jun-18 RM'000
Related companies by virtue of common shareholders:		
Purchased of material and services rendered	18,160	16,284

**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-19 RM'000	Preceding year corresponding quarter 30-Jun-18 RM'000	Changes	
			RM'000	%
Revenue	285,257	119,304	165,953	139%
Other income	13,156	5,190	7,966	153%
Profit before tax ("PBT")	41,536	17,616	23,920	136%
Profit after tax ("PAT")	36,311	16,261	20,050	123%

The Group registered revenue of RM285.26 million for current quarter under review as compared to RM119.30 million for the preceding year corresponding quarter. The Group revenue reflects the stage of projects completion during the quarter under review.

During the current financial quarter, revenue for Project segment was RM280.56 million as compared to RM116.69 million in the preceding year corresponding financial quarter. The performance was in line with the planned progress of on-going transmission, distribution and rail electrification projects. As of 30.6.2019, our order book balance stood at RM1.63 billion, which will be realised progressively over the contract periods.

Other income of the Group mainly arose from concession asset and unwinding discount of suppliers for 2 years credit term in current financial year. Increase in other income in the current quarter were mainly due to unwinding discount of suppliers for 2 years credit term as compared to preceding year corresponding quarter.

The Group recorded profit before tax of RM41.54 million as compared to RM17.62 million for the preceding year corresponding quarter. The PBT margin for the quarter under review and preceding year corresponding quarter were 15%.

The Group recorded profit after tax of RM36.31 million as compared to RM16.26 million for the preceding year corresponding quarter. The PAT margin for the quarter under review was 13.6%, which is above the Group target of 9% to 11%.

**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 quarter against the immediate preceding quarter

	Current year quarter 30-Jun-19 RM'000	Immediate preceding quarter 31-Mar-19 RM'000	Changes	
			RM'000	%
Revenue	285,257	222,061	63,196	28%
Other income	13,156	11,143	2,013	18%
Profit before tax ("PBT")	41,536	23,688	17,848	75%
Profit after tax ("PAT")	36,311	22,506	13,805	61%

The Group recorded revenue of RM285.26 million for current quarter under review as compared to RM222.06 million for the immediate preceding quarter.

Profit before tax for the current quarter under review was recorded at RM41.54 million as compared to RM23.69 million for the immediate preceding quarter. The profit before tax for current quarter under review was higher, this was mainly due to higher gross profit at RM59.36 million, while immediate preceding quarter at RM40.99 million.

Other income of the Group mainly arose from concession asset and unwinding discount of suppliers 2 years credit term in current financial year. Increased in other income in the current quarter was mainly due to strengthening of United States Dollar against Ringgit Malaysia as compared to immediate preceding quarter.

The Group recorded profit before tax of RM41.54 million as compared to RM23.69 million for the immediate preceding quarter. The PBT margin for the quarter under review and immediate preceding quarter were 15% and 11% respectively.

The Group recorded profit after tax of RM36.31 million as compared to RM22.51 million for the immediate preceding quarter. The PAT margin for the quarter under review and immediate preceding quarter were 13% and 10% respectively.

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

B2. Profit before tax

Included in the profit before tax are the following items:

	Current year quarter 30-Jun-19 RM'000	Preceding year corresponding quarter 30-Jun-18 RM'000	Unaudited Current year 30-Jun-19 RM'000	Audited Preceding year to date 30-Jun-18 RM'000
Amortisation of intangible assets	1,131	1,141	5,124	3,177
Amortisation of unwinding discount of financial liability	382	328	1,482	-
Depreciation of property, plant and equipment	2,248	1,248	7,168	5,068
Fair value gain on derivative financial instruments	180	(32,505)	(2,060)	(8,904)
Gain on disposal of property, plant and equipment	(88)	-	(933)	(78)
Interest expense	15,293	2,698	51,331	37,967
Interest income	(128)	(62)	(386)	(130)
Interest (income)/expense arising from concession asset	(9,319)	1,158	(39,690)	(35,852)
Unrealised loss/(gain) on foreign exchange	(1,146)	7,853	(8,201)	12,212
Unwinding discount of financial liability	(2,235)	-	(8,666)	-

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

B3. Prospects

The Group transits over the final quarter of financial year 2019 with an order book balance of RM1.63 billion and a positive expectation for further business development both locally and abroad.

In conjunction with the call for greater implementation of renewable energy, particularly by the Malaysian Ministry of Energy, Science, Technology, Environment and Climate Change, PESTECH decided to embark on the participation of the call for tender on the Large Scale Solar 3 project, which was submitted on 19 August 2019. Leveraging on the power infrastructure design and engineering capability of PESTECH's core group of technical team, we have formed collaboration with local and foreign technical partners in order to establish a most competitive solution for our bid in terms of both technical and commercial angle. The Group intends to invest into the know-how and tools that will be able to offer various solutions for solar energy farm and energy storage facility in order to harness energy from the sun round the clock.

Similar prospects for solar farm, and renewable energy in general, are also emerging in the region, and PESTECH has set its sight on Cambodia and Myanmar to explore various business models that could bring positive income to the Group either under turnkey contract implementation or on concession basis.

We have recently renamed the Power Product and Embedded system business segment into Power distribution and Smart Grid. This segment is to focus in the manufacturing of power distribution products and venturing into smart grid technology including smart meters. The digitalisation of power equipment has provided further opportunity to automate and to monitor the electric power distribution. The application of our know-how in communication modules to monitoring devices of power equipment allow PESTECH to offer services to electric utility and public authority utilising existing electrical network. The smart energy meter that is already part of our product portfolio also serve as an important ingredient that most electrical utilities in the region sought after in order to improve quality of services to their customers.

On the other hand, the Group is keeping its business momentum in the high voltage power transmission and rail electrification segments by continuously participate in various quotation and tender exercises. Prospects remain encouraging for high voltage power transmission projects in the ASEAN region, especially in less developed countries where electrification is dearly required for social consumption purposes. Rail electrification, both for urban rail and double track, projects are beginning to present themselves in this region where developing countries seek public transport modernization solutions to improve logistics infrastructure for the upgrading of living standard and enhancement of overall economic development.

As such, the management maintains our positive forward looking perspective for the Group as we embark on an exciting financial year 2020.

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

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. Dividends

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

B7. Auditors' report

There were no qualifications to the audited financial statements of PESTECH Group for previous financial year ended 30 June 2018.

B8. Status of corporate proposal

The proposed listing of Pestech (Cambodia) PLC, a wholly-owned subsidiary of the Company, is in progress as at the date of issuance of this quarterly report.

B9. Authorisation for issue

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