

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2023

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30 June 2023 RM'000	Preceding year corresponding quarter 30 June 2022 RM'000	Unaudited current year 30 June 2023 RM'000	Audited preceding year 30 June 2022 RM'000
Revenue	139,044	132,108	468,377	715,090
Operating expenses	(249,254)	(149,137)	(633,403)	(678,648)
Other operating income	222	306	699	1,636
Impairment of receivables	(13,373)	-	(13,373)	-
Other gains/(losses)	10,130	7,969	19,571	8,799
Operating (loss)/profit	(113,231)	(8,754)	(158,129)	46,877
Fair value adjustment on concession asset	(1,239)	-	(110,306)	-
Share of (loss)/profit of equity-accounted associate	(489)	(49)	(148)	344
(Loss)/Profit before interest and tax	(114,959)	(8,803)	(268,583)	47,221
Finance income	6,205	15,475	42,579	58,539
Finance costs	(21,969)	(16,512)	(84,231)	(64,086)
(Loss)/Profit before tax	(130,723)	(9,840)	(310,235)	41,674
Tax income/(expense)	619	(791)	(6,171)	(4,344)
(Loss)/Profit for the period/year	(130,104)	(10,631)	(316,406)	37,330
Other comprehensive (expense)/income:				
Items that will be reclassified subsequently to profit or loss				
- Exchange translation differences	18,201	9,013	21,254	35,764
- Fair value (loss)/gain on cash flow hedge	(782)	25,427	408	28,343
Total comprehensive (loss)/ income for the period/year	(112,685)	23,809	(294,744)	101,437
(Loss)/Profit for the period/year attributable to:				
Owners of the Company	(125,667)	(15,761)	(257,682)	9,982
Perpetual SUKUK-holders	2,992	1,998	5,915	3,744
Non-controlling interests	(7,429)	3,132	(64,639)	23,604
	(130,104)	(10,631)	(316,406)	37,330
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(112,790)	4,394	(242,081)	56,964
Perpetual SUKUK-holders	2,992	1,998	5,915	3,744
Non-controlling interests	(2,887)	17,417	(58,578)	40,729
	(112,685)	23,809	(294,744)	101,437

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2023 (CONT'D)**

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30 June 2023 RM'000	Preceding year corresponding quarter 30 June 2022 RM'000	Unaudited current year 30 June 2023 RM'000	Audited preceding year 30 June 2022 RM'000
EBITDA	(110,327)	(3,150)	(246,967)	65,726
(Loss)/Earnings per share attributable to owners of the Company: (Restated)				
- Basic (Sen)	(12.76)	(1.64)	(26.17)	1.04
- Diluted (Sen)	#	#	#	#

anti-dilutive in nature

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 2022.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2023**

	Note	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		245,675	248,988
Intangible assets		16,436	92,799
Investment in associates		1,082	1,230
Derivative financial assets		1,461	2,975
Contract assets	A13	838,122	956,942
Total non-current assets		1,102,776	1,302,934
Current assets			
Contract assets	A13	912,303	1,190,822
Inventories		29,049	28,570
Trade receivables	A14	170,575	222,174
Other receivables		124,428	108,870
Amount due from associate		3,412	2,833
Tax recoverable		6,034	5,561
Cash and short-term deposits		189,547	168,980
Total current assets		1,435,348	1,727,810
Total assets		2,538,124	3,030,744
EQUITY AND LIABILITIES			
EQUITY			
Share capital		232,942	232,942
Treasury shares		(4,183)	(4,183)
Reserves		14,517	(1,084)
Retained earnings		167,784	425,466
		411,060	653,141
Perpetual SUKUK		100,000	100,000
Non-controlling interests		40,057	174,342
Total equity		551,117	927,483

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2023 (CONT'D)**

	Note	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
EQUITY AND LIABILITIES (Cont'd)			
LIABILITIES			
Non-current liabilities			
Derivative financial liabilities		2,492	6,264
Lease liabilities	A16	10,400	10,579
Loans and borrowings	A16	672,557	780,147
Deferred tax liabilities		6,380	4,693
Trade payables		20,017	21,722
Total non-current liabilities		711,846	823,405
Current liabilities			
Contract liabilities	A13	2,099	2,377
Trade payables		685,132	572,431
Other payables		121,291	117,661
Lease liabilities	A16	1,607	2,256
Loans and borrowings	A16	459,402	581,358
Derivative financial liabilities		1,540	535
Tax payable		4,090	3,238
Total current liabilities		1,275,161	1,279,856
Total liabilities		1,987,007	2,103,261
Total equity and liabilities		2,538,124	3,030,744
Net assets per share (Sen)		55.98	94.20
Net assets per share attributable to Owners of the Company (Sen)		41.75	66.34

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 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2023

	← Attributable to owners of the Company →										
	← Non-distributable						→ Distributable				
	Share capital	Treasury shares	Fair value reserve	Exchange translation reserve	Capital reserve	Merger reserve	Retained earnings	Total	Perpetual SUKUK	Non-controlling interests	Total equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2022	232,942	(4,183)	(1,336)	24,855	8,534	(33,137)	425,466	653,141	100,000	174,342	927,483
(Loss)/Profit for the financial year	-	-	-	-	-	-	(257,682)	(257,682)	5,915	(64,639)	(316,406)
Other comprehensive income for the financial year	-	-	1,442	14,159	-	-	-	15,601	-	6,061	21,662
Total comprehensive income/(loss) for the financial year	-	-	1,442	14,159	-	-	(257,682)	(242,081)	5,915	(58,578)	(294,744)
Transaction with owners:											
Dividend paid	-	-	-	-	-	-	-	-	-	(75,707)	(75,707)
Distribution to Perpetual SUKUK-holders	-	-	-	-	-	-	-	-	(5,915)	-	(5,915)
At 30 June 2023	232,942	(4,183)	106	39,014	8,534	(33,137)	167,784	411,060	100,000	40,057	551,117

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2023
(CONT'D)**

	← Attributable to owners of the Company →										
	← Non-distributable →						Distributable				
	Share capital RM'000	Treasury shares RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Capital reserve RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual SUKUK RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 July 2021	212,672	(2,345)	(24,033)	570	8,534	(33,137)	419,290	581,551	48,550	131,611	761,712
Profit for the financial year	-	-	-	-	-	-	9,982	9,982	3,744	23,604	37,330
Other comprehensive income for the financial year	-	-	22,697	24,285	-	-	-	46,982	-	17,125	64,107
Total comprehensive income for the financial year	-	-	22,697	24,285	-	-	9,982	56,964	3,744	40,729	101,437
Transaction with owners:											
Treasury shares acquired	-	(1,838)	-	-	-	-	-	(1,838)	-	-	(1,838)
Issuance of share capital pursuant to private placement	20,270	-	-	-	-	-	-	20,270	-	-	20,270
Issuance of Perpetual SUKUK	-	-	-	-	-	-	-	-	51,450	-	51,450
Dividend paid	-	-	-	-	-	-	(3,806)	(3,806)	-	(113)	(3,919)
Distribution to Perpetual SUKUK-holders	-	-	-	-	-	-	-	-	(3,744)	-	(3,744)
Derecognition of interest in a subsidiary	-	-	-	-	-	-	-	-	-	2,115	2,115
At 30 June 2022	232,942	(4,183)	(1,336)	24,855	8,534	(33,137)	425,466	653,141	100,000	174,342	927,483

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 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	12-months ended	
	Unaudited	Audited
	30 June 2023 RM'000	30 June 2022 RM'000
OPERATING ACTIVITIES		
(Loss)/Profit before tax	(310,235)	41,674
Adjustments for:		
Amortisation of intangible assets	4,184	4,075
Amortisation of unwinding discount of financial liability	1,310	-
Depreciation of property, plant and equipment	17,432	14,430
Fair value adjustment on concession asset	110,306	-
Fair value (gain)/loss on derivative financial instruments	(773)	4,484
Gain on disposal of property, plant and equipment	(308)	(177)
Impairment of goodwill	2,589	-
Impairment of receivables	13,373	-
Impairment of property, plant and equipment	1,004	-
Loss/(Gain) on lease termination	824	(58)
Loss on winding up of a subsidiary	-	8
Interest expense	82,921	64,086
Interest income	(1,794)	(890)
Finance income arising from concession assets	(23,881)	(45,667)
Finance income arising from contract assets	(11,395)	(11,982)
Property, plant and equipment written off	7	50
Share of loss/(profit) of equity-accounted associate	148	(344)
Unwinding discount of financial liabilities	(5,509)	-
Unrealised gain on foreign exchange	(18,934)	(12,703)
Operating (loss)/profit before working capital changes	(138,731)	56,986
Changes in working capital:		
Inventories	433	(6,033)
Receivables	21,144	(42,533)
Payables	78,295	33,987
Contract customers	503,911	(79,287)
Associate	(579)	(2,683)
Cash generated from/(used in) operations	464,473	(39,563)
Interest received	1,794	890
Interest paid	(82,921)	(62,427)
Tax refunded	-	7,799
Tax paid	(4,582)	(15,070)
Net cash from/(used in) operating activities	378,764	(108,371)
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	364	202
Purchase of property, plant and equipment	(6,196)	(52,205)
Net cash used in investing activities	(5,832)	(52,003)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023 (CONT'D)

	12-months ended	
	Unaudited 30 June 2023 RM'000	Audited 30 June 2022 RM'000
FINANCING ACTIVITIES		
Dividend paid	-	(3,806)
Dividend paid to non-controlling interests of a subsidiary	(75,707)	(113)
Distribution to Perpetual SUKUK-holders	(5,915)	(3,744)
Treasury shares acquired	-	(1,838)
Withdrawal/(Placement) of fixed deposits and debt service reserve accounts with licensed institutions	373	(39,500)
Proceeds from issuance of share capital pursuant to private placement	-	20,270
Proceeds from issuance of Perpetual SUKUK	-	51,450
Drawdown from borrowings	792,056	1,052,326
Repayment of borrowings	(1,074,068)	(1,009,855)
Net cash (used in)/from financing activities	(363,261)	65,190
CASH AND CASH EQUIVALENTS		
Net changes	9,671	(95,184)
Cash and cash equivalents at beginning of the year	3,929	95,117
Effect of foreign exchange translation	2,604	3,996
Cash and cash equivalents at end of the year	16,204	3,929
Represented by:		
Cash and bank balances	128,190	118,622
Fixed deposits with licensed financial institutions	61,357	50,358
Bank overdrafts	(54,632)	(45,967)
	134,915	123,013
Less:		
- Fixed deposits pledged to financial institutions	(61,357)	(50,358)
- Debt service reserve accounts, included in cash and bank balances	(57,354)	(68,726)
	16,204	3,929

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 2022.

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 2022.

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 associates since the financial year ended 30 June 2022.

The accounting policies and methods of computation adopted by the Group in this condensed financial report are consistent with those adopted in the most recent annual financial report for the year ended 30 June 2022, except for the adoption of the following:

Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 3	Business Combinations – Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Annual Improvements to MFRS Standards 2018-2020	

The adoption of the abovementioned standard do not have a material impact on the financial statements of the Group.

Standards issued but not yet effective

The Group has not applied the following MFRSs and amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the Company, its subsidiaries and associates:

Effective for financial periods beginning on or after 1 January 2023

Amendments to MFRS 112	Income Taxes – Deferred tax related to Assets and Liabilities arising from a Single Transaction
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Effective for financial periods beginning on or after 1 January 2024

Amendment to MFRS 16	Leases – Lease Liability in a Sale and Leaseback
Amendment to MFRS 101	Presentation of Financial Statements – Non-current Liabilities with Covenants
Amendments to MFRS 7	Financial Instruments: Disclosures – Supplier Finance Arrangements
Amendments to MFRS 107	Statement of Cash Flows – Supplier Finance Arrangements

The initial application of the above standards and amendments are not expected to have any financial impacts to the financial statements.

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

A2. Seasonal or cyclical factors

The Group’s operations are not subject 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 2023, except for the impairment of goodwill from the acquisition of a subsidiary amounting to RM2.6 million, impairment of property, plant and equipment amounting to RM1.0 million and impairment of receivables amounting to RM13.4 million.

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 2023.

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 2023.

A6. Dividends paid

There were no dividends paid for the current financial quarter ended 30 June 2023.

A7. Changes in composition of the Group

There were no changes to the composition of the Group for the current financial quarter ended 30 June 2023.

A8. Valuation of property, plant and equipment

There were no valuation of property, plant and equipment for the current financial quarter ended 30 June 2023.

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 its products and services, which comprises the following:

- (a) Investment - Investment and property holding.
- (b) EPMCC - Engineering, procurement, manufacturing, construction and commissioning of power substations, transmission lines and rail electrifications.
- (c) Product - Provision of design and supply of remote control system and data communication products.

	← Results for the quarter ended 30 June 2023 →				→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	
Revenue					
External customers	-	131,571	7,473	-	139,044
Inter-segment	257	15,969	2,423	(18,649)	-
Total revenue	257	147,540	9,896	(18,649)	139,044
Finance income	10,147	13,081	-	(17,023)	6,205
Finance costs	(8,422)	(31,315)	(820)	18,588	(21,969)
Net finance income/(expense)	1,725	(18,234)	(820)	1,565	(15,764)
Segment profit/(loss) before tax	112,805	(124,899)	(3,871)	(114,758)	(130,723)
Segment profit/(loss) after tax	112,841	(124,316)	(3,871)	(114,758)	(130,104)

	← Results for the quarter ended 30 June 2022 →				→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	
Revenue					
External customers	-	128,445	3,663	-	132,108
Inter-segment	(1,098)	49,605	11,368	(59,875)	-
Total revenue	(1,098)	178,050	15,031	(59,875)	132,108
Finance income	16,137	16,354	81	(17,097)	15,475
Finance costs	(16,007)	(15,406)	(375)	15,276	(16,512)
Net finance income/(expense)	130	948	(294)	(1,821)	(1,037)
Segment profit/(loss) before tax	21,278	617	(3,558)	(28,177)	(9,840)
Segment profit/(loss) after tax	21,674	(935)	(3,558)	(27,812)	(10,631)

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 its products and services, which comprises the following (Cont'd):

	←	Results for the year ended 30 June 2023			→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External customers	-	453,341	15,036	-	468,377
Inter-segment	14,084	81,831	11,868	(107,783)	-
Total revenue	14,084	535,172	26,904	(107,783)	468,377
Finance income	37,998	64,616	1	(60,036)	42,579
Finance costs	(33,859)	(117,794)	(1,867)	69,289	(84,231)
Net finance income/ (expense)	4,139	(53,178)	(1,866)	9,253	(41,652)
Segment profit/(loss) before tax	116,218	(311,414)	(11,544)	(103,495)	(310,235)
Segment profit/(loss) after tax	113,091	(314,458)	(11,544)	(103,495)	(316,406)

	←	Results for the year ended 30 June 2022			→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External customers	-	707,473	7,617	-	715,090
Inter-segment	12,412	254,709	46,058	(313,179)	-
Total revenue	12,412	962,182	53,675	(313,179)	715,090
Finance income	25,681	78,767	82	(45,991)	58,539
Finance costs	(25,523)	(81,555)	(1,222)	44,214	(64,086)
Net finance income/(expense)	158	(2,788)	(1,140)	(1,777)	(5,547)
Segment profit/(loss) before tax	21,496	67,348	(9,848)	(37,322)	41,674
Segment profit/(loss) after tax	20,819	63,316	(9,848)	(36,957)	37,330

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

A10. Tax income/(expense)

	Current year quarter 30 June 2023 RM'000	Preceding year corresponding quarter 30 June 2022 RM'000	Unaudited current year 30 June 2023 RM'000	Audited preceding year 30 June 2022 RM'000
Tax income/(expense)	619	(791)	(6,171)	(4,344)

Tax is calculated at Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial period. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

The Group recognised income tax expense based on chargeable income in accordance to the respective tax laws of the jurisdictions. The tax income recorded in current year quarter is mainly due to adjustment of overprovision of tax in previous quarters.

A11. (Loss)/Earnings per share

A11.1. Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share for the financial period is based on the (loss)/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 30 June 2023	Preceding year corresponding quarter 30 June 2022	Unaudited current year 30 June 2023	Audited preceding year 30 June 2022
(Loss)/Profit attributable to owners of the Company (RM'000)	(125,667)	* (15,761)	(257,682)	* 9,982
Weighted average number of ordinary shares outstanding ('000)	984,555	961,229	984,555	961,229
Basic (loss)/earnings per share (Sen)	(12.76)	* (1.64)	(26.17)	* 1.04

* Restated

A11.2. Diluted earnings per share

No diluted earnings per share is presented as the effect is anti-dilutive.

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

A12. Property, plant and equipment

During the current financial year, the Group acquired property, plant and equipment amounting to RM6.2 million.

A13. Contract assets

	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
Contract assets		
Contract assets from a customer on concession arrangement	-	555,979
Contract assets from customers on construction contracts	1,750,425	1,591,785
	1,750,425	2,147,764
Presented as:		
Non-current	838,122	956,942
Current	912,303	1,190,822
	1,750,425	2,147,764
Contract liabilities		
Contract liabilities from customers on construction contracts	2,099	2,377

A14. Trade receivables

The trade receivables of the Group were as follows:

	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
Trade receivables, net of impairment	37,577	82,405
Retention sums on contracts	132,998	139,769
	170,575	222,174

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

A15. Cash and bank balances

The cash and bank balances of the Group were as follows:

	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
Cash and bank balances	128,190	118,622
Fixed deposits with licensed institutions	61,357	50,358
	189,547	168,980

A16. Borrowings and debts securities

Total borrowings of the Group were as follows:

	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
Non-current liabilities		
Secured:		
Lease liabilities	10,400	10,579
Term loans	672,557	780,147
	682,957	790,726
Current liabilities		
Secured:		
Term loans	81,299	119,459
Bank overdrafts	54,632	45,967
Bankers' acceptances	19,113	24,653
Trust receipts	99,170	129,596
Revolving credit	205,188	261,683
	459,402	581,358
Lease liabilities	1,607	2,256
	461,009	583,614
	1,143,966	1,374,340

PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**A16. Borrowings and debts securities (Cont’d)**

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

	Unaudited as at 30 June 2023 RM’000	Audited as at 30 June 2022 RM’000
Ringgit Malaysia	402,257	416,821
United States Dollar	740,918	950,262
Chinese Renminbi	-	587
Euro	791	6,670
	1,143,966	1,374,340

A17. Material events subsequent to the end of interim period reported

There was no material event subsequent to the end of the financial period, except for:

- i. On 24 July 2023, the Company proposes to undertake a restricted issue of 800,000,000 new ordinary shares in PESTECH (“PESTECH Share(s)” or “Share(s)”) (“Restricted Share(s)”) representing approximately 81.25% of the existing total number of issued shares of the Company to IJM Corporation Berhad (“IJM” or the “Subscriber”) at an issue price of RM0.155 per Restricted Share (“Subscription Price”) (“Proposed Restricted Issue”).

In conjunction with the Proposed Restricted Issue, IJM and its persons acting in concert intends to seek an exemption from the Securities Commission Malaysia (“SC”) under Paragraph 4.08(1)(b) of the Rules on Take-overs, Mergers and Compulsory Acquisitions from the obligation to undertake a mandatory take-over offer to acquire all the remaining PESTECH Shares and all the outstanding warrants 2021/2028 not already owned by them upon completion of the Proposed Restricted Issue (“Proposed Exemption”).

In accordance with Paragraph 4.08(3), the Company also appointed Mercury Securities Sdn Bhd as the Independent Adviser to advise the shareholders of the Company in respect of the Proposed Exemption.

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

A17. Material events subsequent to the end of interim period reported (Continued)

There was no material event subsequent to the end of the financial period, except for: (Continued)

- ii. PESTECH Technology Sdn. Bhd. (“PTECH”), a wholly-owned subsidiary of PESTECH has on 16 August 2023 received the Termination Notice (“Notice”) dated 16 August 2023 from Malaysia Airports (Sepang) Sdn. Bhd. (“MASSB”) terminating PTECH as the Contractor for the design, supply, installation, testing and commissioning (“D&B”) for automated people mover and associated works at KL International Airport including financing, operation and maintenance until 11 February 2034 (“the Contract”) between MASSB and PTECH (“the Project”).

The Letter of Award for the Project at a total contract value of RM742,954,400 was announced by the Company on 27 December 2021. The Project comprised D&B works of RM396,000,000, financing charges of RM104,200,000 and operation and maintenance services of RM242,754,400 over a period of ten (10) years from year 2025 to 2034.

The termination of the Project is expected to pose unfavourable effects to the revenue and profit of the Group for the financial year ending 30 June 2024.

A18. Financial guarantees

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

	Unaudited as at 30 June 2023 RM’000	Audited as at 30 June 2022 RM’000
Secured facilities outstanding as at:		
Lease liabilities of the Group	11,971	12,835
Loan and borrowings of subsidiaries	1,041,836	1,280,350

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.

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

A19. Capital commitments

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

	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
Approved and contracted for:		
- Acquisition of a motor vehicle	-	2,406
- Acquisition of a land	2,491	2,491

A20. Significant related party transactions

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

	Unaudited as at 30 June 2023 RM'000	Audited as at 30 June 2022 RM'000
Related parties by virtue of common directors and key senior management:		
Sales	-	162
Purchased of material and services rendered	1,993	8,274

**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 June 2023 RM'000	Preceding year corresponding quarter 30 June 2022 RM'000	Changes	
			RM'000	%
Revenue	139,044	132,108	6,936	5%
Loss before tax	(130,723)	(9,840)	(120,883)	1228%
Loss after tax	(130,104)	(10,631)	(119,473)	1124%

The Group registered about the same revenue in current quarter under review amounting to RM139.0 million as compared to RM132.1 million in preceding year corresponding quarter. The revenue of the Group reflects the stage of completion for various projects during the quarter under review.

Loss before and after tax in current quarter were mainly due to impairment of goodwill from the acquisition of a subsidiary about RM2.6 million, impairment of property, plant and equipment about RM1.0 million and impairment of receivables amounting to RM13.4 million for long overdue receivables. Furthermore, the loss in the current quarter is also due to the unrelenting interest hikes and the threats of an approaching inflation, which had brought about impact onto the Group significantly in the current quarter compared to preceding year corresponding quarter.

The Group recorded loss before and after tax for the quarter at RM130.7 million and RM130.1 million respectively. The loss after tax margin for the quarter under review was 94% and for preceding year corresponding quarter was 8%.

**PART B : ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)****B1. Review of performance (Continued)****(b) Performance of the current quarter against the immediate preceding quarter**

	Current year quarter 30 June 2023 RM'000	Immediate preceding quarter 31 Mar 2023 RM'000	Changes	
			RM'000	%
Revenue	139,044	97,264	41,780	43%
Loss before tax	(130,723)	(78,042)	(52,681)	-68%
Loss after tax	(130,104)	(80,279)	(49,825)	-62%

The Group recorded revenue of RM139.0 million for the current quarter under review as compared to RM97.3 million for the immediate preceding quarter. The increase in revenue is mainly contributed from Rail segment about RM89.5 million (FY2023 Q3: RM34.2 million). The revenue of the Group reflects the stage of completion for various projects during the quarter under review.

Higher loss before and after tax in current year quarter as compared to immediate preceding quarter were mainly due to impairment of goodwill from the acquisition of a subsidiary about RM2.6 million, impairment of property, plant and equipment about RM1.0 million and impairment of receivables amounting to RM13.4 million for long overdue receivables.

The loss after tax margin for the quarter under review was 94% and for immediate preceding quarter was 83%.

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

B2. (Loss)/Profit before tax

Included in the (loss)/profit before tax are the following items:

	Current year quarter 30 June 2023 RM'000	Preceding year corresponding quarter 30 June 2022 RM'000	Unaudited current year 30 June 2023 RM'000	Audited preceding year 30 June 2022 RM'000
Amortisation of intangible assets	242	976	4,184	4,075
Amortisation of unwinding discount of financial liability	290	433	1,310	1,659
Depreciation of property, plant and equipment	4,390	4,677	17,432	14,430
Fair value adjustment on concession asset	1,239	-	110,306	-
Fair value loss/(gain) on derivative financial instruments	6,640	3,328	(773)	4,484
(Gain)/Loss on disposal of property, plant and equipment	(151)	53	(308)	(177)
Impairment of goodwill	2,589	-	2,589	-
Impairment of property, plant and equipment	1,004	-	1,004	-
Impairment of receivables	13,373	-	13,373	-
Loss/(Gain) on lease termination	824	(58)	824	(58)
Loss on winding up of a subsidiary	-	8	-	8
Interest expense	21,679	17,738	82,921	64,086
Interest income	(809)	(554)	(1,794)	(890)
Finance income arising from concession assets	(267)	(11,931)	(23,881)	(45,667)
Finance income arising from contract assets	(1,757)	(2,990)	(11,395)	(11,982)
Litigation settlement	-	-	20,000	-
Property, plant and equipment written off	7	50	7	50
Unwinding discount of financial liability	(3,372)	-	(5,509)	-
Unrealised gain on foreign exchange	(20,379)	(12,322)	(18,934)	(12,703)

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

B3. Prospects

The recent corporate development of a proposed Restricted Issue (“RI”) to be undertaken by IJM Corporation Berhad (“IJM”) for 800,000,000 new ordinary shares in PESTECH International Berhad will be a boost for the Company both financially and operationally.

We view the collaborative benefits that would be brought about by the involvement of IJM into PESTECH as a catalyst for sustenance of our organization, and also an important inducement for further growth in the regional power infrastructure industry.

It is thus pivotal, as the first step, for the RI to be carried through successfully, and subsequent to that, assimilating the expertise of both organizations to promulgate ventures into opportunities that eluded PESTECH due to our own financial and operational limitations.

As such, we are confident that with the support from our customers, suppliers, financial institutions, and our impending major shareholder, we shall prevail in energising sustainable growth that would bring about long term positive returns to the shareholders of the Company.

B4. Profit forecast and profit guarantee

There were no profit forecasts or profit guarantees in any public document by the Group.

B5. Material litigation

The Group has not engaged in any litigation which will have a material effect on the business or financial position of the Group except for the following:

(i) In the matter of the adjudication proceedings between PESTECH Technology Sdn. Bhd. (“PTE”) and Lion Pacific Sdn Bhd (“LPSB”)

On 30 October 2019, PTE, a wholly-owned subsidiary of the Company, obtained an adjudication decision in its favour as a result of the adjudication proceedings initiated by PTE against LPSB under the Construction Industry Payment & Adjudication Act 2012 for non-payment of works done pursuant to the sub-contract with LPSB, whereby LPSB appointed PTE as a sub-contractor to complete the systems package works (“Works”) in the project known as "Extension of the Rail Link from the Subang Commuter Station to Subang Skypark Phase 1" (“Project”).

The adjudicator found in favour of PTE and that LPSB shall pay a total sum of approximately RM12,522,732.71 plus interests to PTE (“PTE Adjudication Decision”).

On 19 February 2020, LPSB filed applications in the High Court to set aside/stay the PTE Adjudication Decision (“LPSB’s Setting Aside / Stay Application”).

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

B5. Material litigation (Continued)

(i) In the matter of the adjudication proceedings between PESTECH Technology Sdn. Bhd. (“PTE”) and Lion Pacific Sdn Bhd (“LPSB”) (Continued)

On 23 July 2020, PTE filed an application to enforce the PTE Adjudication Decision (“PTE’s Enforcement Application”).

On 29 September 2020, the High Court dismissed LPSB’s Setting Aside / Stay Application and allowed PTE’s Enforcement Application.

Being dissatisfied with the High Court’s decision given on 29 September 2020, LPSB filed appeals to the Court of Appeal against the said High Court’s decision (“LPSB’s Appeals”).

The hearing for LPSB’s Appeals came up on 27 October 2021. The Court of Appeal allowed LPSB’s Appeals and the PTE Adjudication Decision was effectively set aside.

Being dissatisfied with the Court of Appeal’s decision given on 27 October 2021, PTE filed applications for leave to appeal to the Federal Court on 23 November 2021 (“PTE’s Leave for Appeal”).

The hearing before the Federal Court for the PTE’s Leave for Appeal was fixed on 1 November 2022. The Federal Court had allowed PTE’s Leave for Appeal, i.e., PTE may appeal to the Federal Court against the Court of Appeal’s decision.

Accordingly, PTE filed its appeals to the Federal Court against the Court of Appeal’s decision on 14 November 2022.

However, before PTE’s appeals were heard before the Federal Court, PTE and LPSB had entered into the Consent Orders dated 17 May 2023, wherein parties have agreed to settle the matter. The Consent Orders dated 17 May 2023 were recorded before the panel of the Federal Court during the hearing of PTE’s Appeals fixed for 17 May 2023.

As at 31 July 2023, LPSB has made a total payment in the sum of RM4 million.

(ii) In the matter of the High Court proceedings between PTE and LPSB

On 2 March 2021, LPSB initiated a further suit in the High Court against PTE, raising new allegations arising out of the Works under the Project (“New High Court Suit”).

PTE in turn filed an application to stay the New High Court Suit pending arbitration pursuant to Section 10 of the Arbitration Act 2005 (“PTE’s Stay Application”).

On 20 October 2021, the High Court allowed the PTE’s Stay Application.

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

B5. Material litigation (Continued)

(ii) In the matter of the High Court proceedings between PTE and LPSB (Continued)

Being dissatisfied with the High Court's decision given on 20 October 2021, LPSB filed an appeal to the Court of Appeal against the said decision of the High Court ("LPSB's Stay Appeal").

However, before the LPSB's Stay Appeal was heard before the Court of Appeal, PTE and LPSB have entered into a Consent Judgment, wherein parties have agreed to proceed with the New High Court Suit at the High Court.

During the case management on 9 August 2023, the parties are required to comply with Pre-Trial Case Management Directions ("PTCM") (filing of the Statement of Agreed Facts, Statement of Issues to be Tried and Common Bundle of Documents). The Judicial Commissioner also fixed the matter for further case management on 26 September 2023.

(iii) In the matter of the arbitration proceedings between Transgrid Ventures Sdn Bhd ("TGV") and Colas Rail System Engineering Sdn Bhd (now known as CRSE Sdn Bhd) ("CRSE")

On 18 December 2017, TGV commenced arbitration proceedings against CRSE, a wholly-owned subsidiary of PTE, for an alleged outstanding sum of RM29,362,000.00 under the sub-contract entered into between the parties vide a letter of award dated 10 January 2017 ("Impugned LOA") ("Original Claims").

On 31 October 2019, CRSE obtained the arbitration award with costs totalling approximately RM383,414.79 granted in their favour ("CRSE Arbitration Award").

However, TGV commenced 2 applications in the High Court to claim for the Original Claims ("Section 42 Application") and to vary and set aside the CRSE Arbitration Award ("Section 37 Application"). Concurrently, CRSE filed an application to the High Court to enforce and recognise the CRSE Arbitration Award against TGV ("CRSE Enforcement Application").

In respect of the Section 42 Application, the High Court dismissed TGV's application on 6 October 2020, and TGV filed an appeal to the Court of Appeal on 2 November 2020 ("TGV COA Appeal 1").

In respect of the Section 37 Application, the High Court dismissed TGV's application on 11 January 2021, and TGV filed an appeal to the Court of Appeal on 8 February 2021 ("TGV COA Appeal 2").

In respect of the CRSE Enforcement Application, the High Court allowed CRSE's application on 11 January 2021 ("CRSE High Court Order"). On 8 February 2021, TGV filed an appeal to the Court of Appeal being dissatisfied with the CRSE High Court Order ("TGV COA Appeal 3").

The TGV COA Appeal 1, TGV COA Appeal 2 and TGV COA Appeal 3 were fixed for case managements on 12 January 2023, 25 January 2023 and 22 February 2023. During the case management on 22 February 2023, the Court of Appeal fixed the TGV COA Appeal 1, TGV COA Appeal 2 and TGV COA Appeal 3 for hearing on 27 October 2023.

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

B5. Material litigation (Continued)

(iii) In the matter of the arbitration proceedings between Transgrid Ventures Sdn Bhd (“TGV”) and Colas Rail System Engineering Sdn Bhd (now known as CRSE Sdn Bhd) (“CRSE”) (Continued)

The case management in relation to TGV’s Appeals that took place on 25 January 2023, before the learned Registrar (after the case management previously fixed for 12 January 2023 was adjourned by the Court of Appeal).

During the said case management, TGV’s solicitors had informed the Court of Appeal that the Supplementary Record of Appeals containing the Grounds of Decision in relation to the proceedings at the High Court has been filed as per the Court of Appeal’s direction.

The Court of Appeal then directed as follows:-

- a. The hearing of the appeals is fixed on 29 September 2023;
- b. Parties to file its written submissions by 1 September 2023;
- c. Parties to file its written submissions in reply (if any) by 14 September 2023;
- d. Further case management fixed on 15 September 2023.

Subsequently, the hearing fixed on 29 September 2023 has been adjourned and now rescheduled to 27 October 2023.

A case management has also been fixed by the Court of Appeal on 22 February 2023 for the Court of Appeal to give its new directions on the filing of the written submissions.

During the said case management on 22 February 2023, the learned Registrar of the Court of Appeal gave the following directions:-

- a. Hearing of the Appeal is fixed on 27 October 2023;
- b. Parties are to file their respective Written Submissions on or before 28 September 2023;
- c. Parties are to file their respective Submissions in Reply, Executive Summary and the Common Core Bundle on or before 12 October 2023; and
- d. Case Management (e-Review) is fixed on 13 October 2023 to update the Court of Appeal on the status of filing of the aforesaid documents.

A Settlement Agreement dated 1 March 2023 was entered between TGV and CRSE. Based on the Settlement Agreement, in consideration for the sum of RM20,000,000 to be paid by CRSE to TGV, TGV has agreed to withdraw Court of Appeal Civil Appeal Nos. W-02(C)(A)-278-01 and W-02(C)(A)-279-02/2021 subject to the terms and conditions in the Settlement Agreement.

The Settlement Sum was fully paid by CRSE to TGV on 7 August 2023. Parties are currently taking the necessary steps to withdraw the 3 aforementioned appeals by way of a consent order that is to be recorded before the Court of Appeal.

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

B5. Material litigation (Continued)

(iv) In the matter of the arbitration proceedings between PESTECH Technology Sdn Bhd (“PTE”) and Maybank Islamic Berhad (“MIB”) and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd (“SPYTL”)

On 10 June 2023, PTE filed an originating summons at the Kuala Lumpur High Court (“OS”) together with an Ex-Parte Notice of Application (“Application”) against MIB and SPYTL to (i) injunct MIB from making payment of RM39,900,000.00 under the Performance Bond dated 24 October 2018 and (ii) to injunct SPYTL from receiving and/ or utilising any monies that may have been received by SPYTL from MIB under the Performance Bond.

On 13 June 2023, PTE obtained an ex-parte injunction order and subsequently obtained an ad interim injunction order on 23 June 2023 which will continue until the disposal of the OS and Application.

Parties are in the midst of filing the relevant cause papers. The hearing is fixed on 23 August 2023 but has been adjourned to 25 August 2023. On 25 August 2023, the hearing has been fixed on 6 September 2023.

(v) In the matter of the arbitration proceedings between PESTECH Sdn Bhd (“PSB”) and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd (“SPYTL”)

PSB filed a writ on 20 June 2023 at the Kuala Lumpur High Court (“Writ”) together with an Ex-Parte Notice of Application (“Application”) on 22 June 2023 against SPYTL to (i) restrain SPYTL from trespassing, utilising and/ or otherwise tampering with machineries belonging to PSB until the disposal of PSB’s Writ and (ii) to injunct SPYTL to return and/ or deliver the machineries to PSB.

On 27 June 2023, PSB obtained an ex-parte injunction order to restrain YTL from trespassing, utilising and/ or otherwise tampering with machineries belonging to PSB until the disposal of PSB’s Writ. PSB also subsequently obtained an ad interim injunction order on 6 July 2023 to allow the ex-parte injunction order to have effect until the disposal of the Application.

The hearing for the Application was fixed on 14 July 2023 and the decision for the Application was fixed on 20 July 2023.

On 20 July 2023, the Court dismissed PSB’s Application with costs in the cause subject to the express undertaking to be provided by SPYTL within 48 hours from 20 July 2023 that:

- (i) SPYTL is not to transfer, sell and/ or dispose of the machines/ equipment;
- (ii) SPYTL will not move the said machines from the project site in anyway whatsoever until the case before the Court is disposed of; and/ or
- (iii) SPYTL will reasonably maintain the machines/ equipment, fair wear and tear accepted, and that the same are to be safely kept and stored in a reasonable manner until the case before the Court is disposed of.

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

B5. Material litigation (Continued)

(v) In the matter of the arbitration proceedings between PESTECH Sdn Bhd (“PSB”) and Syarikat Pembinaan Yeoh Tiong Lay Sdn Bhd (“SPYTL”) (Continued)

SPYTL has duly complied with the terms above vide a letter of undertaking dated 20 July 2023.

In light of the dismissal of PSB’s Application, PSB has filed an application for an appeal to the Court of Appeal against the Court’s decision in relation to the Application and an Erinford injunction (as detailed in Section 3(vi) and (vii) below).

During the case management on 25 July 2023, parties were directed to comply with the pre-trial case management directions (i.e. filing of the relevant cause papers). The next case management is fixed on 23 August 2023.

On 26 July 2023, PSB filed a Notice of Appeal (“Appeal”) to appeal against the High Court’s decision rendered on 20 July 2023 in respect of the injunction Application filed on 22 June 2023.

Parties are in the midst of preparing the Record of Appeal. A case management before the Court of Appeal has been fixed on 24 October 2023.

On 31 July 2023, PSB filed a Notice of Application (“Erinford Application”) against SPYTL for an Erinford injunction to (i) direct SPYTL to deliver the machineries to sites which are sufficiently secure to retain the machineries until final disposal of PSB’s Appeal against the Court Order dated 20 July 2023; and (ii) to restrain YTL from trespassing, using and/ or tampering with machineries belonging to PSB until the disposal of PSB’s Appeal.

On 3 August 2023, PSB and SPYTL appeared before the High Court to take the Court’s directions for the hearing of the Erinford Application. The High Court has fixed the Erinford Application for hearing on 25 August 2023.

On 25 August 2023, the hearing has been fixed on 6 September 2023.

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 2022.

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

B8. Status of corporate proposal

Proposed Restricted Issue

On 24 July 2023, the Company proposes to undertake a restricted issue of 800,000,000 new ordinary shares in PESTECH (“PESTECH Share(s)” or “Share(s)”) (“Restricted Share(s)”) representing approximately 81.25% of the existing total number of issued shares of the Company to IJM Corporation Berhad (“IJM” or the “Subscriber”) at an issue price of RM0.155 per Restricted Share (“Subscription Price”) (“Proposed Restricted Issue”).

In conjunction with the Proposed Restricted Issue, IJM and its persons acting in concert intends to seek an exemption from the Securities Commission Malaysia (“SC”) under Paragraph 4.08(1)(b) of the Rules on Take-overs, Mergers and Compulsory Acquisitions from the obligation to undertake a mandatory take-over offer to acquire all the remaining PESTECH Shares and all the outstanding warrants 2021/2028 not already owned by them upon completion of the Proposed Restricted Issue (“Proposed Exemption”).

In accordance with Paragraph 4.08(3), the Company also appointed Mercury Securities Sdn Bhd as the Independent Adviser to advise the shareholders of the Company in respect of the Proposed Exemption.

The Proposed Restricted Issue are subject to inter alia, the following approvals being obtained from:-

- i. Bursa Securities, for the listing of and quotation for the Restricted Shares on the Main Market of Bursa Securities;
- ii. the shareholders of PESTECH at the forthcoming EGM;
- iii. the SC, for the Proposed Exemption; and
- iv. any other relevant authorities and/ or parties, if required.

The Proposed Restricted Issue and the Proposed Exemption are inter-conditional upon each other.

The Proposals are not conditional upon any other proposals undertaken or to be undertaken by the Company.

B9. Authorisation for issue

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