

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**  
**Condensed Consolidated Statement of Profit or Loss**

	<b>Note</b>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Corresponding	To date	Corresponding
			Quarter		Year
			3 months ended		12 months ended
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	
	RM'000	RM'000	RM'000	RM'000	
	Unaudited	Audited	Unaudited	Audited	
Revenue	A14(a)	57,924	58,467	241,779	220,928
Other income		82,192	11,817	95,539	23,747
Operating costs		(61,736)	(59,385)	(244,044)	(180,289)
Reversal for foreseeable losses		4,594	3,548	10,305	4,177
Depreciation and amortisation expenses		(7,829)	(4,918)	(22,138)	(19,801)
Profit from operations		75,145	9,529	81,441	48,762
Finance costs		(17,666)	(18,263)	(72,156)	(72,390)
Share of results of equity accounted entities		(21)	(21)	(32)	(58)
Profit/(Loss) before tax	A9	57,458	(8,755)	9,253	(23,686)
Tax (expense)/credit	B5	(6,086)	585	(5,550)	4,455
<b>Profit/(Loss) after tax</b>		<b>51,372</b>	<b>(8,170)</b>	<b>3,703</b>	<b>(19,231)</b>
<b>Attributable to:</b>					
Owners of the Company		53,070	(7,072)	8,845	(15,900)
Non-controlling interests		(1,698)	(1,098)	(5,142)	(3,331)
Profit/(Loss) after tax		51,372	(8,170)	3,703	(19,231)
		sen	sen	sen	sen
<b>Basic earnings/(loss) per share attributable to owners of the Company:</b>	B11	11.87	(1.58)	1.98	(3.56)

**(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)**

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**  
**Condensed Consolidated Statement of Other Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Year
	3 months ended 31.12.2023	31.12.2022	12 months ended 31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Audited	Unaudited	Audited
Profit/(Loss) after tax	51,372	(8,170)	3,703	(19,231)
<b>Other comprehensive income/(expense):</b>				
<b>Item that is or may be reclassified subsequently to profit or loss</b>				
Foreign currency translation	16	18	(13)	46
<b>Item that will not be reclassified subsequently to profit or loss</b>				
Revaluation of land and buildings, net of tax	4,624	-	4,624	-
<b>Total comprehensive income/(expense) for the period</b>	<b>56,012</b>	<b>(8,152)</b>	<b>8,314</b>	<b>(19,185)</b>
<b>Total comprehensive income/(expense) attributable to:</b>				
Owners of the Company	57,710	(7,054)	13,456	(15,854)
Non-controlling interests	(1,698)	(1,098)	(5,142)	(3,331)
	<b>56,012</b>	<b>(8,152)</b>	<b>8,314</b>	<b>(19,185)</b>

(The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**  
**Condensed Consolidated Statement of Financial Position**

	Note	As at 31.12.2023 RM'000 Unaudited	As at 31.12.2022 RM'000 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A10	471,678	472,310
Investment properties	A10	554,127	848,844
Bearer biological assets		310,448	311,447
Concession asset		4,167	4,567
Investment in associate		-	13
Deferred tax assets		38,017	45,205
Trade and other receivables		784,166	822,255
		<u>2,162,603</u>	<u>2,504,641</u>
<b>Current assets</b>			
Inventories		3,317	4,890
Fresh fruits bunches		5,062	5,837
Contract assets		21,791	5,015
Trade and other receivables		204,183	184,398
Short-term investments		98,857	59,088
Tax recoverable		721	1,745
Cash and cash equivalents		143,140	194,693
		<u>477,071</u>	<u>455,666</u>
Assets classified as held for sale	A16	306,066	-
		<u>783,137</u>	<u>455,666</u>
<b>TOTAL ASSETS</b>		<u>2,945,740</u>	<u>2,960,307</u>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity owners of the Company</b>			
Share capital		554,663	554,663
Treasury shares		(5,941)	(5,941)
Reserves		757,355	743,899
		<u>1,306,077</u>	<u>1,292,621</u>
<b>Shareholders' equity</b>		<u>1,306,077</u>	<u>1,292,621</u>
<b>Non-controlling interests</b>		<u>19,462</u>	<u>24,604</u>
<b>Total equity</b>		<u>1,325,539</u>	<u>1,317,225</u>
<b>Non-current liabilities</b>			
Loans and borrowings	B7	900,844	956,660
Concession liability		91,368	96,073
Deferred tax liabilities		156,330	164,873
		<u>1,148,542</u>	<u>1,217,606</u>
<b>Current liabilities</b>			
Loans and borrowings	B7	251,351	218,538
Trade and other payables		189,818	162,057
Contract liabilities		171	3,906
Provision for foreseeable loss		29,099	39,404
Tax payable		1,220	1,571
		<u>471,659</u>	<u>425,476</u>
<b>Total liabilities</b>		<u>1,620,201</u>	<u>1,643,082</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>2,945,740</u>	<u>2,960,307</u>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<u>2.92</u>	<u>2.89</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**  
**Condensed Consolidated Statement of Changes in Equity**

	← Attributable to Owners of the Company →								
	← Non-distributable →					Distributable			
	Share Capital	Treasury Shares	Foreign Currency Translation Reserves	Revaluation Reserves	Other Reserves	Retained Earnings	Total	Non- controlling Interests	Total Equity
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>12 months period ended 31 December 2023</b>									
At 1 January 2023	554,663	(5,941)	944	112,390	(20,014)	650,579	1,292,621	24,604	1,317,225
Foreign currency translation	-	-	(13)	-	-	-	(13)	-	(13)
Revaluation of land and buildings, net of tax	-	-	-	4,624	-	-	4,624	-	4,624
Total other comprehensive (expense)/income	-	-	(13)	4,624	-	-	4,611	-	4,611
Profit/(Loss) for the year	-	-	-	-	-	8,845	8,845	(5,142)	3,703
Total comprehensive (expense)/income	-	-	(13)	4,624	-	8,845	13,456	(5,142)	8,314
<b>At 31 December 2023</b>	<b>554,663</b>	<b>(5,941)</b>	<b>931</b>	<b>117,014</b>	<b>(20,014)</b>	<b>659,424</b>	<b>1,306,077</b>	<b>19,462</b>	<b>1,325,539</b>
<b>12 months period ended 31 December 2022</b>									
At 1 January 2022	554,663	(5,941)	898	112,390	(20,014)	666,479	1,308,475	27,935	1,336,410
Foreign currency translation	-	-	46	-	-	-	46	-	46
Total other comprehensive income	-	-	46	-	-	-	46	-	46
Loss for the year	-	-	-	-	-	(15,900)	(15,900)	(3,331)	(19,231)
Total comprehensive income/(expense)	-	-	46	-	-	(15,900)	(15,854)	(3,331)	(19,185)
<b>At 31 December 2022</b>	<b>554,663</b>	<b>(5,941)</b>	<b>944</b>	<b>112,390</b>	<b>(20,014)</b>	<b>650,579</b>	<b>1,292,621</b>	<b>24,604</b>	<b>1,317,225</b>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**  
**Condensed Consolidated Statement of Cash Flows**

	<b>12 months ended 31.12.2023</b>	<b>12 months ended 31.12.2022</b>
	RM'000	RM'000
	Unaudited	Audited
<b>Cash flow from operating activities</b>		
Receipts from customers	246,329	279,793
Other income	49,126	3,389
Payments for operating expenses	(147,083)	(122,947)
Payments to contractors	(51,756)	(87,828)
Cash generated from operations	<u>96,616</u>	<u>72,407</u>
Tax paid	(7,690)	(8,942)
Interest income	<u>6,243</u>	<u>5,953</u>
Net cash from operating activities	<u>95,169</u>	<u>69,418</u>
<b>Cash flow from investing activities</b>		
Acquisition of investment properties	-	(9,900)
Acquisition of property, plant and equipment	(5,231)	(8,541)
Additions of bearer biological assets	(5,024)	(4,489)
Net advance to associate	-	(3)
(Additions of)/Net proceeds from short-term investments	(39,430)	35,921
Proceeds from disposal of property, plant and equipment	<u>396</u>	<u>794</u>
Net cash (used in)/from investing activities	<u>(49,289)</u>	<u>13,782</u>
<b>Cash flow from financing activities</b>		
Decrease/(Increase) in pledged deposits	4,763	(3,959)
Interest paid	(88,922)	(69,273)
Proceeds from loans and borrowings	43,400	40,600
Repayment of lease liabilities	(4,080)	(3,403)
Repayment of loans and borrowings	<u>(47,812)</u>	<u>(97,132)</u>
Net cash used in financing activities	<u>(92,651)</u>	<u>(133,167)</u>

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**  
**Condensed Consolidated Statement of Cash Flows (cont'd)**

	<b>12 months ended 31.12.2023</b>	<b>12 months ended 31.12.2022</b>
	RM'000	RM'000
	Unaudited	Audited
Net decrease in cash and cash equivalents	(46,771)	(49,967)
Effects of exchange rate on cash and cash equivalents	(3)	11
<b>Cash and cash equivalents at beginning of financial year</b>	149,872	199,828
<b>Cash and cash equivalents at end of financial year</b>	<u>103,098</u>	<u>149,872</u>
<b>Cash and cash equivalents comprise:</b>		
Deposits with licensed banks	68,688	110,670
Cash and bank balances	74,452	84,023
	<u>143,140</u>	<u>194,693</u>
Less : Cash and bank balances pledged	(40,033)	(44,796)
Bank overdraft	(9)	(25)
	<u>103,098</u>	<u>149,872</u>

**(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to the interim financial statements.)**

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2023**

**A. EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1 Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting in Malaysia, IAS 34: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2022.

**A2 Significant Accounting Policies**

The accounting policies and presentation adopted for this condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2022, except for the adoption of the following standards, amendments and annual improvements to MFRSs as disclosed below.

**(a) Adoption of Standards, Amendments and Annual Improvements to Standards**

The Group adopted the following Standards, Amendments and Annual Improvements to Standards :-

Description		Effective for annual periods beginning on or after
MFRS 17 and Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts - <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101	Presentation of Financial Statements - <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors - <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112	Income Taxes - <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112	Income Taxes - <i>International Tax Reform-Pillar Two Model Rules</i>	1 January 2023

**(b) Standards issued but not yet effective**

At the date of authorisation of these interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation have been issued but are not yet effective and as such, not being applied by the Group:-

Description		Effective for annual periods beginning on or after
Amendment to MFRS 16	Leases - <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements - <i>Non-Current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements - <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements, Investments in Associates and Joint Ventures - <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group plan to apply the abovementioned accounting standards, interpretations and amendments beginning from the respective dates the accounting standards, interpretations and amendments become effective. The Group is currently assessing the financial impact that may arise from the initial application of the accounting standards, interpretations and amendments effective for annual periods on or after a date yet to be confirmed.

**A3 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not qualified.

**A4 Seasonal or cyclical factors**

The business of the Group is not subject to seasonal or cyclical fluctuation.

**A5 Unusual items due to their nature, size or incidence**

There was no item affecting the assets, liabilities, equity, net income or cash flows of the Group that is unusual because of their nature, size or incidence during the current financial quarter and financial year-to-date.

**A6 Changes in estimates**

There were no significant changes in the estimates of the amount reported in the current quarter and financial year-to-date results.



## **A7 Debt and equity securities**

### **Sukuk Murabahah Programme**

On 7 September 2023, Ideal Water Resources Sdn Bhd (“IWR”), a wholly-owned subsidiary of Puncak Niaga Holdings Berhad (“Puncak”) lodged the required information and relevant documents relating to the Islamic Medium Term Notes (Sukuk Murabahah) Programme of RM1.0 billion in nominal value based on the Shariah Principle of Murabahah (via Tawarruq arrangement) (“Sukuk Murabahah Programme”) with the Securities Commission Malaysia (“SC”) pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework first issued on 9 March 2015 (as amended from time to time) (“LOLA Guidelines”).

The Sukuk Murabahah shall entail multiple issuance of rated or unrated, secured or unsecured Sukuk Murabahah where the aggregate outstanding nominal value of such Sukuk Murabahah shall not exceed RM1.0 billion in nominal value at any one time.

The Sukuk Murabahah Programme shall have a perpetual tenure. The first issuance of Sukuk Murabahah under the Sukuk Murabahah Programme shall be made within ninety (90) business days from the date of lodgement with the SC or such other extended period as allowed by the SC.

The Sukuk Murabahah Programme will provide IWR the flexibility to raise funds via the issuance of Sukuk Murabahah from time to time pursuant to the Sukuk Murabahah Programme to meet the funding requirements of Puncak and its Group of Companies.

On 9 October 2023, IWR completed the issuance of the First Tranche Sukuk Murabahah of RM34.0 million under the Sukuk Murabahah Programme.

The First Tranche Sukuk Murabahah is unrated, has a tenure of one (1) year from the issue date and shall be secured against, amongst others, assets owned by Puncak Group of Companies.

The proceeds raised from the First Tranche Sukuk Murabahah are utilised by Puncak and its Group of Companies (“Puncak Group”) for the following Shariah-compliant purposes:- to fund general working capital, fund identified projects undertaken by Puncak Group and/or payment of fees and costs in relation to the establishment of the Sukuk Murabahah Programme and the issuance of the First Tranche Sukuk Murabahah.

Hong Leong Investment Bank Berhad is the Principal Adviser, Lead Arranger and Lead Manager for the Sukuk Murabahah Programme.

Saved as disclosed above, there were no other issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial quarter and financial year-to-date.

## **A8 Dividend paid**

There was no dividend paid during the current financial quarter and financial year-to-date (31.12.2022: RM Nil).

**A9 Segment revenue and results**

The segmental analysis of the Group for the current financial quarter and financial year-to-date are as follows:

a)

Individual quarter results for 3 months ended	Construction		Plantation		Concession		Total	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Operating Revenue</b>								
Revenue from external customers	18,753	19,356	7,012	7,742	32,159	31,369	57,924	58,467
Finance income	4	44	17	23	710	813	731	880
Other income	-	-	34	155	39	72	73	227
Fair value (loss)/gain on fresh fruit bunches	-	-	(2,733)	726	-	-	(2,733)	726
	18,757	19,400	4,330	8,646	32,908	32,254	55,995	60,300
Operating expenses	(24,214)	(26,557)	(10,766)	(13,717)	(10,190)	(5,715)	(45,170)	(45,989)
Reversal for foreseeable losses	4,594	3,548	-	-	-	-	4,594	3,548
Depreciation and amortisation	(1)	(5)	(6,770)	(3,897)	(324)	(228)	(7,095)	(4,130)
<b>Segment results</b>	(864)	(3,614)	(13,206)	(8,968)	22,394	26,311	8,324	13,729
Finance costs	(155)	(389)	(4,457)	(4,031)	(15,147)	(15,790)	(19,759)	(20,210)
<b>(Loss)/Profit before tax</b>	<b>(1,019)</b>	<b>(4,003)</b>	<b>(17,663)</b>	<b>(12,999)</b>	<b>7,247</b>	<b>10,521</b>	<b>(11,435)</b>	<b>(6,481)</b>

Cumulative quarter results for 12 months ended	Construction		Plantation		Concession		Total	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Operating Revenue</b>								
Revenue from external customers	58,422	55,017	29,076	41,744	154,262	124,132	241,760	220,893
Finance income	28	249	56	59	4,486	3,587	4,570	3,895
Other income	84	-	229	397	134	222	447	619
Fair value (loss)/gain on fresh fruit bunches	-	-	(775)	26	-	-	(775)	26
	58,534	55,266	28,586	42,226	158,882	127,941	246,002	225,433
Operating expenses	(70,881)	(61,397)	(45,416)	(47,083)	(61,108)	(27,424)	(177,405)	(135,904)
Reversal of foreseeable losses	10,305	4,177	-	-	-	-	10,305	4,177
Depreciation and amortisation	(8)	(22)	(17,650)	(15,987)	(1,317)	(813)	(18,975)	(16,822)
<b>Segment results</b>	(2,050)	(1,976)	(34,480)	(20,844)	96,457	99,704	59,927	76,884
Finance costs	(594)	(669)	(17,525)	(13,735)	(63,110)	(65,493)	(81,229)	(79,897)
<b>(Loss)/Profit before tax</b>	<b>(2,644)</b>	<b>(2,645)</b>	<b>(52,005)</b>	<b>(34,579)</b>	<b>33,347</b>	<b>34,211</b>	<b>(21,302)</b>	<b>(3,013)</b>

	Construction		Plantation		Concession		Total	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets and Liabilities</b>								
<b>Segment assets</b>	<b>68,031</b>	<b>49,055</b>	<b>718,337</b>	<b>729,724</b>	<b>1,150,864</b>	<b>1,194,231</b>	<b>1,937,232</b>	<b>1,973,010</b>
Included in the measure of segment assets are:								
Additions to non-current assets other than financial instruments and deferred tax assets	3	10	12,751	13,643	2,224	1,315	14,978	14,968
<b>Segment liabilities</b>	<b>143,539</b>	<b>274,891</b>	<b>387,479</b>	<b>384,167</b>	<b>983,471</b>	<b>1,022,217</b>	<b>1,514,489</b>	<b>1,681,275</b>

**b) Reconciliations of reportable segment revenue, profit or loss, assets, liabilities and other material items**

	31.12.2023	31.12.2022
	RM'000	RM'000
<b>Profit or loss</b>		
Total loss for reportable segments	(21,302)	(3,013)
Other non-reportable segments and elimination	23,067	(23,090)
Unallocated income	7,488	2,417
Profit/(Loss) before tax	<u>9,253</u>	<u>(23,686)</u>

	External revenue	Depreciation and amortisation	Finance costs	Finance income	Segment assets	Additions to non-current assets	Segment liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Results for 3 months ended 31.12.2023</b>							
Total reportable segments	57,924	(7,095)	(19,759)	731	(88,428)	2,535	237,762
Other non-reportable segments	-	(734)	1,698	1,144	129,604	130	150,715
Elimination of inter-segment transactions and balances	-	-	395	(395)	(55,306)	-	(312,820)
Unallocated assets	-	-	-	-	(8,917)	-	-
Unallocated liabilities	-	-	-	-	-	-	3,402
<b>Consolidated total</b>	<b>57,924</b>	<b>(7,829)</b>	<b>(17,666)</b>	<b>1,480</b>	<b>(23,047)</b>	<b>2,665</b>	<b>79,059</b>
<b>Results for 3 months ended 31.12.2022</b>							
Total reportable segments	58,467	(4,130)	(21,086)	880	(109,816)	4,026	55,648
Other non-reportable segments	-	(788)	772	2,499	43,914	2,154	(13,775)
Elimination of inter-segment transactions and balances	-	-	2,051	(2,051)	4,902	-	7,830
Unallocated assets	-	-	-	-	2,275	-	-
Unallocated liabilities	-	-	-	-	-	-	870
<b>Consolidated total</b>	<b>58,467</b>	<b>(4,918)</b>	<b>(18,263)</b>	<b>1,328</b>	<b>(58,725)</b>	<b>6,180</b>	<b>50,573</b>

	External revenue	Depreciation and amortisation	Finance costs	Finance income	Segment assets	Additions to non-current assets	Segment liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Results for cumulative 12 months ended 31.12.2023</b>							
Total reportable segments	241,760	(18,975)	(81,229)	4,570	1,937,232	14,978	(1,514,489)
Other non-reportable segments	19	(3,163)	8,678	2,369	2,165,994	798	(196,329)
Elimination of inter-segment transactions and balances	-	-	395	(395)	(1,196,224)	-	248,168
Unallocated assets	-	-	-	-	38,738	-	-
Unallocated liabilities	-	-	-	-	-	-	(157,551)
<b>Consolidated total</b>	<b>241,779</b>	<b>(22,138)</b>	<b>(72,156)</b>	<b>6,544</b>	<b>2,945,740</b>	<b>15,776</b>	<b>(1,620,201)</b>
<b>Results for cumulative 12 months ended 31.12.2022</b>							
Total reportable segments	220,893	(16,822)	(79,897)	3,895	1,973,010	14,968	(1,681,275)
Other non-reportable segments	35	(2,979)	558	8,766	2,051,134	14,480	(344,296)
Elimination of inter-segment transactions and balances	-	-	6,949	(6,949)	(1,110,787)	-	548,932
Unallocated assets	-	-	-	-	46,950	-	-
Unallocated liabilities	-	-	-	-	-	-	(166,443)
<b>Consolidated total</b>	<b>220,928</b>	<b>(19,801)</b>	<b>(72,390)</b>	<b>5,712</b>	<b>2,960,307</b>	<b>29,448</b>	<b>(1,643,082)</b>

## **A10 Valuation of property, plant and equipment and investment properties**

### Property, plant and equipment under the revaluation model

The Group revalues its properties comprising land and buildings every 3 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value. In the financial year ended 31 December 2023, the leasehold land and buildings were revalued to fair values.

The carrying value of property, plant and equipment under the revaluation model as at year ended 31 December 2023 are based on full valuations carried out by external, independent property valuers. The difference on the fair value and carrying amount are as detailed below:-

	<b>Valuation Method</b>	<b>Carrying Amount as at 31.12.23 RM'000</b>	<b>Fair Value as at 31.12.23 RM'000</b>	<b>Revaluation Surplus RM'000</b>
Property, plant and equipment	Comparison Method	65,866	71,950	6,084
Less: Deferred tax				<u>(1,460)</u>
Revaluation surplus of land and buildings, net of deferred tax				<u><u>4,624</u></u>

### Investment properties

The Group adopts the fair value model for its investment properties. Investment properties are measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

The carrying value of investment properties as at year ended 31 December 2023 are based on full valuations carried out by external, independent property valuers. The difference on the fair value and carrying amount are as details below:-

	<b>Valuation Method</b>	<b>Carrying Amount as at 31.12.23 RM'000</b>	<b>Fair Value as at 31.12.23 RM'000</b>	<b>Fair Value Gain RM'000</b>
Investment properties	Comparison Method	522,174	554,127	31,953
Less: Deferred tax				<u>(3,195)</u>
Fair value gain, net of deferred tax				<u><u>28,758</u></u>

## **A11 Subsequent event**

On 1 February 2024, Puncak Niaga Construction Sdn Bhd ("PNCSB" or "Principal Sub-Contractor") obtained a fourth extension of time from 13 January 2024 to 26 June 2025 ("Extension of Time No. 4" or "EOT No. 4") to complete the Kuantan Project from Jalur Cahaya Sdn Bhd ("JCSB" or "Main Contractor").

Save as disclosed above and in Note B9 Material Litigations, there are no other material events subsequent to the end of the current financial quarter that have not been reflected in the financial statements of the Group for the current financial quarter.

## A12 Changes in the composition of the Group

### Striking Off of Purnama Persada Sdn Bhd (“Purnama Persada”)

On 13 October 2023, Purnama Persada, a dormant associate company of the Company submitted an application to strike off the name of Purnama Persada from the Register of Companies Commission of Malaysia pursuant to Section 550 of the Companies Act, 2016.

On 6 February 2024, the Company received a letter dated 31 January 2024 from the Companies Commission of Malaysia notifying that Purnama Persada had been struck off from the Register of Companies Commission of Malaysia pursuant to Section 550 of the Companies Act, 2016 on 23 January 2024. Accordingly, Purnama Persada ceased to be an associate company of the Company on 23 January 2024.

Saved as disclosed above, there were no changes in the composition of the Group during the current financial quarter and financial year-to-date.

## A13 Contingent liabilities and contingent assets

Save as disclosed in Note B9 Material Litigations, there were no other material contingent liabilities and contingent assets as at 31 December 2023.

## A14 Other material disclosures

### a) Revenue

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Year
	3 months ended 31.12.2023	31.12.2022	12 months ended 31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Construction contracts	18,753	19,356	58,422	55,017
Sale of fresh fruit bunches	6,490	7,160	26,519	40,178
Concessions	32,159	31,369	154,262	124,132
Others	522	582	2,576	1,601
	<u>57,924</u>	<u>58,467</u>	<u>241,779</u>	<u>220,928</u>

### b) Capital commitments

The following are the capital commitments of the Group:-

	<b>As at</b>
	<b>31.12.2023</b>
	<b>RM'000</b>
Contracts approved and contracted for	<u>787</u>

## A14 Other material disclosures (cont'd)

### c) Acquisition and disposal of property, plant and equipment

	12 months ended 31.12.2023		
	At cost	Accumulated depreciation	Carrying amount
	RM'000	RM'000	RM'000
Acquisition	7,293	(617)	6,676
Disposal	4,080	(4,080)	-

## A15 Financial instruments

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The following are the analyses of the carrying amounts and fair values of those financial instruments not carried at fair value. These fair values are categorised under Level 3 of the fair value hierarchy:

	Carrying amount	Fair value	Carrying amount	Fair value
	31.12.2023	31.12.2023	31.12.2022	31.12.2022
	RM'000	RM'000	RM'000	RM'000
<b>Financial liabilities :</b>				
Loans and borrowings	1,147,445	1,147,445	1,168,636	1,168,636

Short-term investments of the Group amounted to RM34,193,000 (31.12.2022 : RM5,072,000) which represent unit trust and cash fund placements in financial institutions are categorised as fair value through profit and loss ("FVTPL") financial assets under Level 2 of the fair value hierarchy.

Short-term investments of the Group amounted to RM64,664,000 (31.12.2022 : RM54,016,000) which represent the fixed deposits placed with licensed banks and have maturity more than three (3) months are measured at amortised cost.

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

#### Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

#### Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

#### Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities using discounted cash flow method.

## A16 Assets classified as held for sale

On 17 August 2023, Puncak Niaga Holdings Berhad ("Puncak") and its wholly owned subsidiary, Puncak Niaga Management Services Sdn Bhd ("PNMSSB") entered into the following Conditional Sale and Purchase Agreements ("Conditional SPAs") :-

- i. Conditional SPA 1 between Puncak and Alpha Galaxy Sdn Bhd ("AGSB") for the proposed disposal of a piece of leasehold land held under PN 77570, Lot 7093, situated in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor ("Lot 7093") for a cash consideration of RM98,624,609.08 ("Proposed Disposal 1");
- ii. Conditional SPA 2 between Puncak and Alpha Galaxy 1 Berhad ("AG1B") for the proposed disposal of a piece of leasehold land held under PN 77572, Lot 7095, situated in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor ("Lot 7095") for a cash consideration of RM106,324,088.04 ("Proposed Disposal 2"); and
- iii. Conditional SPA 3 between PNMSSB and AGBS for the proposed disposal of a piece of leasehold land held under PN 77571, Lot 7094, situated in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor ("Lot 7094") for a cash consideration of RM101,117,051.86 ("Proposed Disposal 3");

(the Proposed Disposal 1, Proposed Disposal 2 and Proposed Disposal 3 are collectively referred to as "Proposed Disposal of Lands"). The total Disposal Consideration for the Proposed Disposal of Lands of RM306,065,748.98 to be paid in cash progressively over fifty three (53) months from the date of the execution of the respective Conditional SPAs in accordance with the terms and conditions as stipulated in the respective Conditional SPAs.

The Proposed Disposal of Lands are subject to the following approvals being obtained:-

- i. shareholders of Puncak at an Extraordinary General Meeting ("EGM") to be convened; and
- ii. the relevant state authority for the transfer of the Lands in favour of the Purchaser (AGSB or AG1B) i.e., Pejabat Daerah/Tanah Kuala Selangor, Negeri Selangor.

PNMSSB had obtained the written consent from the Pejabat Daerah/Tanah Kuala Selangor for the transfer of Lot 7094 to AGBS vide its letter dated 20 September 2023. Puncak had also obtained the written consent from the Pejabat Daerah/Tanah Kuala Selangor for the transfer of Lot 7093 and Lot 7095 to AGBS and AG1B respectively vide its letters dated 22 September 2023.

The Proposed Disposal of Lands were approved by the shareholders of Puncak at the EGM held on 7 February 2024.

The carrying amount of assets held for sale as at 31 December 2023 are measured at the lower of their carrying amount and fair value less costs to sell. The difference on the fair value and carrying amount are as detailed below:-

	<b>Carrying amount RM'000</b>	<b>Fair value RM'000</b>	<b>Impairment loss RM'000</b>
Assets held for sale	326,670	306,066	(20,604)
Add: Deferred tax			<u>2,060</u>
Impairment loss, net of deferred tax			<u><u>(18,544)</u></u>



## B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

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### B1 Review of performance

During the current financial quarter, the Group recorded a slightly lower revenue of RM57.9 million as compared to a revenue of RM58.5 million in the preceding year's corresponding financial quarter, representing a decrease of RM0.6 million (-1%) mainly due to lower revenue contribution from Construction and Plantation segments. For the current financial year-to-date, the Group registered a revenue of RM241.8 million as compared to RM220.9 million in the preceding year's corresponding financial year-to-date, representing an increase of RM20.9 million (10%) mainly attributed to higher revenue contribution from the Concession segment.

The Group reported a profit before tax ("PBT") of RM57.5 million and RM9.3 million for the current financial quarter and financial year-to-date as compared to a loss before tax ("LBT") of RM8.8 million and RM23.7 million in the preceding year's corresponding financial quarter and financial year-to-date, representing positive variances of RM66.3 million (>100%) and RM33.0 million (>100%) respectively. The improvement from LBT to PBT in the current financial quarter and financial year-to-date was mainly due to higher other income attributable from fair value gain on investment properties and discontinuing of legal suits.

The review of the Group's performance by each segment is as follows:

#### (a) Construction :

The Construction segment reported a slightly lower revenue of RM18.8 million and a LBT of RM1.0 million during the current financial quarter as compared to a revenue of RM19.4 million and a LBT of RM4.0 million in the preceding year's corresponding financial quarter, representing a decrease of RM0.6 million (-3%) and a positive variance in LBT of RM3.0 million (75%) respectively.

The lower revenue for the current financial quarter as compared to the preceding year's corresponding quarter was mainly due to slower work progress of Kuantan Project which is at advanced stage of construction. Meanwhile, the lower LBT recorded for the current financial quarter as compared to the preceding year's corresponding quarter were mainly due to the operating profit generated from the Johor Project that commenced in the first quarter of 2023 and lower operating expenses.

#### (b) Plantation :

The Plantation segment reported a revenue of RM7.0 million and LBT of RM17.7 million during the current financial quarter as compared to a revenue of RM7.7 million and LBT of RM13.0 million in the preceding year's corresponding quarter, representing a lower revenue of RM0.7 million (-9%) and a negative variance in LBT of RM4.7 million (-36%) respectively.

The lower revenue for the current financial quarter as compared to the preceding year's corresponding quarter were mainly due to lower fresh fruit bunches ("FFB") sales attributed to lower average CPO prices and lower FFB production. In addition, the lower LBT as compared to the preceding year's corresponding quarter were due to fair value loss on FFB and higher amortisation charge on bearer biological assets.

#### (c) Concession :

The Concession segment reported a higher revenue of RM32.2 million and lower PBT of RM7.2 million during the current financial quarter as compared to a revenue of RM31.4 million and PBT of RM10.5 million in the preceding year's corresponding financial quarter, representing a positive variance in revenue of RM0.8 million (3%) and a negative variance in PBT of RM3.3 million (-31%) respectively.

The improvement in the revenue for the current financial quarter were mainly attributed to the commencement of the supply of additional medical equipment for Hospital Al-Sultan Abdullah UiTM during the first quarter of 2023. The negative variance in PBT was mainly due to lower operating profits from supplying medical equipment.

## **B2 Comparison of performance with the immediate preceding financial quarter**

The Group reported a revenue of RM57.9 million and a PBT of RM57.5 million for the current financial quarter as compared to a revenue of RM57.3 million and a LBT of RM34.1 million in the immediate preceding financial quarter, representing positive variances of RM0.6 million (1%) and RM91.6 million (>100%) respectively. The PBT reported in the current financial quarter were mainly due higher other income attributable from fair value gain on investment properties and discontinuing of legal suits from non-reportable segments, mitigated the LBT from reportable segments.

## **B3 Prospects**

### Construction

The key focus for the Group's Construction segment is to complete the existing projects within budget and within the approved Extension of Time ("EoT") granted by the clients.

The Construction segment anticipates intense competition for new tender projects due to the limited availability of projects, escalating costs of construction materials and labour shortages. Consequently, the Group shall continue to be vigilant and prudent in selecting projects with sufficient margins when bidding for new opportunities in utilities and infrastructure projects domestically. The Group's expertise in providing Integrated Water, Wastewater and Environmental Solutions will serve as competitive edge when bidding for contracts.

### Plantation

In relation to the Plantation segment, price volatility is expected to continue in the near term due to geopolitical crises and global macroeconomic conditions.

Despite the challenging outlook for the plantation industry, the Group remains committed to navigating through these circumstances and finding viable solutions. The Group recognises the importance of implementing strategies to mitigate risks while maximising our operational efficiency to focus on productive areas and to ensure full harvesting of FFB on the field.

### Concession

For the Concession segment, the Group will continue to fulfil its obligations under the maintenance services of the Z1P2 Concession Agreement and the Asset Management Services of the Z1P3 Concession Agreement to the best of the Group's abilities. The income from the maintenance services and asset management services will enable the Group to have stable income streams throughout the concession periods.

The Group's foray into the healthcare and non healthcare services sector has proven to be successful and opened new and exciting opportunities of long term sustainable growth for the Group. Leveraging on its proven track record in delivering Z1P3, the Group will adopt a similar approach to build and manage other teaching hospitals under the Ministry of Higher Education, as well as participating in tenders for new hospitals called by the Ministry of Health.

Given the challenges of operating in the prevailing economic and market conditions, the Group remains cautiously optimistic about its business prospects. The Group shall continue to seek opportunities to increase revenue in its core businesses, ensure timely completion of all projects, exercise prudence in business dealings and achieve operational efficiency for long-term sustainable growth.

## **B4 Variances from profit forecast and profit guarantee**

The disclosure requirements for explanatory notes for variances from profit forecast or profit guarantee are not applicable.

**B5 Income tax expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Year
	3 months ended 31.12.2023	31.12.2022	12 months ended 31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current year tax expense	(1,546)	(1,835)	(7,398)	(7,537)
- (under)/over provision in prior years	(230)	182	(967)	17
	<u>(1,776)</u>	<u>(1,653)</u>	<u>(8,365)</u>	<u>(7,520)</u>
Deferred tax				
- origination and reversal of temporary differences	2,335	684	7,528	3,971
- (under)/over provision in prior years	(6,645)	1,554	(4,713)	8,004
	<u>(4,310)</u>	<u>2,238</u>	<u>2,815</u>	<u>11,975</u>
	<u>(6,086)</u>	<u>585</u>	<u>(5,550)</u>	<u>4,455</u>

The effective tax rate of the Group for the financial year-to-date was lower than the Malaysian statutory tax rate mainly due to recognition of deferred tax.

**B6 Status of corporate proposal**

There was no corporate proposal announced as at the date of this report.

**B7 Loans and borrowings**

Details of the Group's loans and borrowings as at 31 December 2023 are as follows:-

	Current RM'000	Non-current RM'000
<b>Secured</b>		
Tawarruq term loan	2,400	123,683
Revolving credit facility	150,000	-
Medium Term Notes	24,708	217,860
Senior Sukuk Murabahah	37,742	507,043
Sukuk Murabahah	34,000	50,000
Letter of Guarantee	492	-
Bank overdraft	9	-
Lease liabilities	2,000	2,258
	<u>251,351</u>	<u>900,844</u>

All loans and borrowings are denominated in Ringgit Malaysia.

**B8 Off balance sheet financial instruments**

As at the latest practicable date prior to the issuance of this interim financial statements, the Group has not entered into any financial instruments with off balance sheet risk.

## **B9 Material litigations**

### **(I) Kris Heavy Engineering & Construction Sdn Bhd ("KHEC")**

#### **i) The First Arbitration Proceedings**

KHEC, a sub-contractor for the Chennai Water Supply Augmentation Project 1 - Package III ("Chennai Project"), had initially referred certain disputed claims totalling Rs8,44,26,981 (equivalent to approximately RM6.75 million) against PNHB-LANCO-KHEC JV ("the Consortium"), a jointly controlled entity of the Company in India.

Arising from the arbitration proceedings initiated by KHEC, both KHEC and the Consortium had each appointed a qualified civil engineer as their arbitrator respectively, and both arbitrators had selected a retired Judge of the High Court in Chennai, India as the third arbitrator who will also act as the presiding arbitrator of the arbitral tribunal. The arbitral tribunal was officially constituted on 24 September 2005.

On 28 September 2005, the Company was informed that the arbitral tribunal had fixed the following dates for the filing of the arbitration cause papers as part of the preliminary procedural formalities:

- i) claim by the claimant, KHEC to be filed before 4 October 2005;
- ii) rejoinder by the respondent, the Consortium to be filed before 18 November 2005; and
- iii) reply rejoinder by the claimant, KHEC to be filed before 5 December 2005.

The Consortium had on 2 January 2006, filed its counter-claim amounting to Rs13,61,61,931 (equivalent to approximately RM10.89 million) against KHEC's claim of Rs8,44,26,981 (equivalent to approximately RM6.75 million) to the arbitral tribunal in India.

The Statement of Claim lodged by KHEC was subsequently revised from Rs8,44,26,981 (equivalent to approximately RM6.75 million) to Rs9,84,58,245 (equivalent to approximately RM7.88 million) whilst the counter-claim submitted by the Consortium, was also revised as per the rejoinder, from Rs13,61,61,931 (equivalent to approximately RM10.89 million) to Rs13,63,39,505 (equivalent to approximately RM10.91 million).

The Company was notified on 4 March 2009 by solicitors acting on behalf of Consortium that the Arbitration Panel had at its meeting held on 26 February 2009 accepted the letter of withdrawal from the Arbitration Panel dated 18 February 2009 from the arbitrator nominated by KHEC. As such, the date for further meeting of the Arbitration Panel was to be communicated after the appointment of the substitute arbitrator to be nominated by KHEC under Section 15(2) of the Arbitration and Conciliation Act, 1996 of India.

The Company was notified on 25 June 2009 that the first sitting of the newly formed Arbitration Panel for the First Arbitration Proceedings comprising the Presiding Arbitrator, the arbitrator nominated by the Consortium and the substitute arbitrator nominated by KHEC was held on 20 June 2009.

The continued hearing date for the First Arbitration Proceedings were fixed on 31 August 2013, 28 September 2013 and 29 September 2013, 9 November 2013 and 10 November 2013.

At the hearing held on 10 November 2013, the Arbitration Panel tentatively fixed the continued hearing of the First Arbitration Proceedings on 4 January 2014 and 5 January 2014.

The continued hearing tentatively scheduled on 4 January 2014 and 5 January 2014 did not proceed as scheduled.

On 29 January 2014, the Arbitration Panel fixed the continued hearing of the First Arbitration Proceedings on 8 February 2014 and 9 February 2014, respectively.

The continued hearing proceeded on 8 February 2014 but the hearing date of 9 February 2014 was vacated due to non-availability of the Chief Arbitrator. The Arbitration Panel fixed the continued hearing dates for the First Arbitration Proceedings on 29 May 2014 and 30 May 2014.

The hearing for the First Arbitration Proceedings fixed on 29 May 2014 and 30 May 2014 did not proceed as scheduled and was fixed by the Arbitration Panel on 4 July 2014 to be fixed on 16 August 2014 and 17 August 2014.

The hearing of the First Arbitration Proceedings fixed on 16 August 2014 and 17 August 2014 proceeded as scheduled.

The Arbitration Panel tentatively fixed the next continued hearing dates on 24 October 2014 and 25 October 2014 which proceeded as scheduled.

On 17 November 2014, the Arbitration Panel fixed the continued hearing dates for the First Arbitration Proceedings on 6 and 7 December 2014 respectively.

On 26 November 2014, the Arbitration Panel rescheduled the continued hearing dates for the First Arbitration Proceedings originally scheduled on 6 December 2014 and 7 December 2014 to 24 January 2015 and 25 January 2015, respectively.

On 7 January 2015, the Arbitration Panel postponed the continued hearing dates for the First Arbitration Proceedings originally scheduled on 24 January 2015 and 25 January 2015.

On 14 December 2015, the counsel of the Consortium notified the Presiding Arbitrator that the Arbitrator in charge was unable to continue as Arbitrator in view of his continued ill-health. An alternative Arbitrator will be appointed in due course.

On 3 March 2016, the name of the replacement Arbitrator was submitted by the counsel of the Consortium to the Panel for consideration and decision.

On 20 April 2016, the name of the replacement Arbitrator was accepted by the Panel. The Panel did not schedule new dates for the continued hearing for the First Arbitration Proceedings.

On 2 June 2016, KHEC's Arbitrator resigned and a new arbitrator was nominated for the Panel's consideration and decision before the Panel schedules new dates for the continued hearing for the First Arbitration Proceedings.

On 11 July 2016, the Panel fixed 30 July 2016 for the continued hearing of the First Arbitration Proceedings.

At the hearing on 30 July 2016, the Panel fixed 17 September 2016 and 18 September 2016 for the continued hearing of the First Arbitration Proceedings.

On 19 September 2016, the Company updated that the hearing of the First Arbitration Proceedings will be continued on 2 October 2016.

On 4 October 2016, the Company updated that the hearing of the First Arbitration Proceedings will be continued on 12 November 2016 and 13 November 2016.

On 11 November 2016, the Company notified that the hearing fixed on 11 November 2016 and 12 November 2016 had been cancelled as the Chief Arbitrator had resigned due to health reasons. The remaining Panel was in the process of selecting a suitable replacement for the Chief Arbitrator before the Panel schedules the new dates for the continued hearing for the First Arbitration Proceedings.

On 21 November 2016, the Company was notified that the Panel had approved the replacement for the Chief Arbitrator for the First Arbitration Proceedings. The new dates for the continued hearing for the First Arbitration Proceedings had yet to be scheduled by the Panel.

On 4 January 2017, the Company was notified that the Panel had fixed the continued hearing for the First Arbitration Proceedings on 10 January 2017.

On 11 January 2017, the Company was notified at the hearing held on 10 January 2017 that the Chief Arbitrator had withdrawn himself from the Panel and the remaining Panel will have to find a replacement for the Chief Arbitrator before the Panel schedules new dates for the continued hearing for the First Arbitration Proceedings.

The newly constituted Panel fixed the hearing for the First Arbitration Proceedings on 7 March 2017 and the continued hearing on 11 April 2017 and 22 April 2017.

At the hearing held on 11 April 2017, the Panel fixed the next continued hearing date of the First Arbitration Proceedings on 17 June 2017 and vacated the earlier date fixed on 22 April 2017.

On 17 June 2017, the Panel fixed the continued hearing dates of the First Arbitration Proceedings on 15 July 2017 and 16 July 2017, respectively which were subsequently cancelled by the Panel.

The next continued hearing date of the First Arbitration Proceedings which was fixed by the Panel on 10 September 2017 was subsequently adjourned and held on 18 November 2017.

At the hearing held on 18 November 2017, the Panel fixed the next continued hearing dates of the First Arbitration Proceedings on 6 and 7 January 2018.

The continued hearing proceeded on 6 January 2018 but the hearing date of 7 January 2018 was vacated and the Panel fixed the next continued hearing of the First Arbitration Proceedings on 24 February 2018, 25 February 2018, 24 March 2018 and 25 March 2018, respectively.

At the hearings held on 24 February 2018 and 25 February 2018, the Panel fixed the next continued hearing of the First Arbitration Proceedings on 24 March 2018, 25 March 2018, 5 May 2018, 6 May 2018 and 8 May 2018, respectively.

The next continued hearing date of the First Arbitration Proceedings which was fixed by the Panel on 24 March 2018 and 25 March 2018 were subsequently adjourned. The Panel fixed the next hearing of the First Arbitration Proceedings on 5 May 2018, 6 May 2018 and 7 May 2018, respectively.

The continued hearing proceeded on 5 May 2018 and 6 May 2018 but the hearing date of 7 May 2018 was vacated. The Panel fixed the next continued hearing date on 23 June 2018 and 24 June 2018.

The hearing proceeded on 23 June 2018 and the Panel vacated the hearing scheduled on 24 June 2018. The Panel fixed the next continued hearing of First Arbitration Proceedings on 30 June 2018 and 1 July 2018.

The hearing proceeded on 30 June 2018 and 1 July 2018. The Panel fixed the next continued hearing of the First Arbitration Proceedings on 11 August 2018 and 12 August 2018.

The hearing proceeded on 11 August 2018. The Panel vacated the hearing scheduled on 12 August 2018 and fixed the next continued hearing of the First Arbitration Proceedings on 15 September 2018.

The continued hearing proceeded on 15 September 2018 and parties were directed to submit written submissions on or before 15 October 2018.

The Arbitration Panel of India delivered the Final Award dated 13 November 2019 (which was notified to the Company on 16 November 2019) in relation to the First Arbitration Proceedings, allowing only the following 3 out of the 34 claims brought by the Claimant against PNHB-LANCO-KHEC JV ("the JV") totalling Rs50,51,786 (equivalent to RM293,708.48 at RM1 = Rs17.2 exchange rate) out of the total claim sum of Rs9,84,58,245 (equivalent to RM5.72 million at RM1 = Rs17.2 exchange rate) with interest at 18% from the date of the award to full and final payment of the Final Award sum. The Arbitration Panel further dismissed the counter claim by the JV in the Final Award.

<b>Claim No</b>	<b>Description</b>	<b>Final Award (Rs)</b>
2	Extra charges for making holes on the pipe	2,44,750
19	Release of Final Bill	36,43,463
22	Refund of Security Deposit (Retention amount)	11,41,703*
	Total three (3) claims awarded	50,29,916
	Additional Expense for Services as per award	21,870
	<b>Final Arbitration Award amount</b>	<b>50,51,786</b>

Note :-

\* The Total Retention amount due to the Claimant is Rs61,41,703. The Fixed Deposit of Rs50,00,000 deposited by the JV with the Arbitration Panel will be handed over to the Claimant after the appeal time is over or after the disposal of the appeal, if any.

The JV sought advice from its solicitors in India on the next course of action.

On 8 June 2020, the Claimant's counsel served on the counsel for the JV, a copy of the Petition filed at the Madras High Court to appeal against the decision of the Arbitration Panel dated 13 November 2019.

On 12 August 2020, the Claimant's Petition filed at the Madras High Court to appeal against the decision of the Arbitration Panel dated 13 November 2019 was returned by the Registrar pending the Claimant's representation with compliance. The hearing of the appeal was adjourned to 9 September 2020 and did not proceed as scheduled as it was not listed at the Madras High Court. A new hearing date has yet to be fixed by the Madras High Court.

The Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings were jointly heard at the Madras High Court on 9 February 2022 where the Consortium's counsel clarified on certain technicalities raised by the Madras High Court and directions were given by the Madras High Court and further joint hearings were held on 17 February 2022 and 23 February 2022. The hearing was subsequently adjourned to 16 March 2022, 21 April 2022, 16 June 2022, 14 July 2022, 21 July 2022, 11 August 2022, 8 September 2022, 15 September 2022 and 21 September 2022.

The joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings continued at the Madras High Court on 27 September 2022, 18 October 2022, 1 November 2022, 15 November 2022, 24 November 2022 and were completed on 1 December 2022.

The Madras High Court has issued an Interim Order dated 1 December 2022 (which was notified to the Company on 16 December 2022) in relation to the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings whereby PNHB-LANCO-KHEC JV ("the JV" or "the Respondent") has been directed by the Madras High Court to pay the sum of Rs50,51,786 (equivalent to approximately RM269,585.25 at RM1 = Rs18.74 exchange rate) directly to the Claimant within a maximum period of twelve (12) weeks from the date of the Interim Order.

In the meantime, the Madras High Court reserved the final judgement on the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings to be notified in due course.

At the final order joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings on 8 February 2023, the Madras High Court delivered the final oral judgements in dismissing the appeals filed by the Claimant in relation to the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings with no order as to costs since the Claimant had failed to establish its case for both appeals. The written judgements were obtained on 10 February 2023 by the counsel to PNHB-LANCO-KHEC JV ("the JV" or "the Respondent").

## ii) **The Second Arbitration Proceedings**

KHEC had commenced a second arbitration proceedings against the PNHB-Lanco members of the Consortium ("the Second Arbitration Proceedings") on the basis of the terms of the Joint Venture Agreement ("JVA") dated 13 February 2003 and the Supplemental Agreement to the JVA dated 26 March 2003 respectively, entered into between the Company, Lanco Infratech Limited ("Lanco") and KHEC whereby KHEC is claiming for loss of profit (inclusive of interest and other cost) amounting to Rs5,44,32,916 (equivalent to approximately RM4.35 million) as they alleged that they, despite being a 10% share owner, received only 4.31% out of the total value of the contract works of the Chennai Project. Subsequently, KHEC filed in an amended claim for damages and loss of profit from Rs5,44,32,916 to Rs55,44,32,916 (equivalent to approximately RM4.35 million to RM44.3 million).

PNHB-Lanco's counsel filed an interim application to dismiss the claim of Rs50,00,00,000 (equivalent to approximately RM39.9 million) for compensation for loss of opportunity on the basis that it is frivolous and unreasonable.

The Second Arbitration Proceedings which was heard by a single arbitrator was completed wherein the parties submitted their respective written submissions on 1 December 2012.

On 1 April 2013, PNHB-Lanco members of the Consortium received the Arbitrator's Final Award dated 29 March 2013 wherein the PNHB-Lanco members of the Consortium are to pay interest for the delayed payment of enabling cost of Rs58 Lakhs amounting to Rs14,62,503 (approximately RM83,627.38) only to the Claimant, KHEC on or before 30 April 2013 and all other claims by the Claimant were rejected.



PNHB-Lanco member of consortium had on 27 April 2013 complied with the Final Award of the Arbitration dated 29 March 2013 by paying the interest for the delayed payment of enabling cost of Rs58 Lakhs amounting to Rs14,62,503 to KHEC.

KHEC had on 4 November 2013 served the PNHB-Lanco members of the Consortium with a copy of the Petition filed at the Madras High Court to appeal against the decision of the Arbitrator dated 29 March 2013. The Madras High Court fixed the Petition for hearing on 2 December 2013.

On 2 December 2013, the Madras High Court postponed the hearing of the Petition filed by KHEC to 3 December 2013.

On 3 December 2013, the Madras High Court fixed the continued hearing of the Petition filed by KHEC on 10 December 2013.

On 10 December 2013, the Madras High Court postponed the hearing of the Petition filed by KHEC, wherein the new hearing date had yet to be fixed by the Madras High Court.

On 29 June 2018, the Madras High Court fixed the continued hearing on 27 July 2018 for the Second Arbitration Proceedings.

At the hearing held on 27 July 2018, the Madras High Court adjourned the next hearing for the Second Arbitration Proceedings to 27 August 2018.

On 27 August 2018, the Madras High Court adjourned the hearing for the Second Arbitration Proceedings to a later date to be advised in due course due to the change in the sitting judge.

On 12 September 2018, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to the first week of October 2018.

On 3 October 2018, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to the third week of October 2018.

On 1 November 2018, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to a later date to be advised in due course.

On 7 March 2019, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to a later date to be advised in due course.

On 9 April 2019, the Madras High Court had adjourned the hearing to a later date to be advised in due course.

On 24 April 2019, the Madras High Court had adjourned the hearing to a later date to be advised in due course.

On 12 June 2019, the Madras High Court had fixed the next hearing on 26 June 2019.

On 26 June 2019, the Madras High Court had adjourned the hearing to a later date to be advised in due course.

The Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings were jointly heard at the Madras High Court on 9 February 2022 where the Consortium's counsel clarified on certain technicalities raised by the Madras High Court and directions were given by the Madras High Court and further joint hearings were held on 17 February 2022 and 23 February 2022. The hearing was subsequently adjourned to 16 March 2022, 21 April 2022, 16 June 2022, 14 July 2022, 21 July 2022, 11 August 2022, 8 September 2022, 15 September 2022 and 21 September 2022.

The joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings continued at the Madras High Court on 27 September 2022, 1 November 2022, 15 November 2022, 24 November 2022 and were completed on 1 December 2022.

At the final order joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings on 8 February 2023, the Madras High Court delivered the final oral judgements in dismissing the appeals filed by the Claimant in relation to the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings with no order as to costs since the Claimant had failed to establish its case for both appeals. The written judgements were obtained on 10 February 2023 by the counsel to PNHB-LANCO-KHEC JV ("the JV" or "the Respondent").

On 2 December 2023, KHEC served the PNHB-Lanco member of the Consortium with a private notice dated 31 November 2023 pertains to the appeal OSA (CAD) No.152 of 2023, challenging the Fair and Decretal Order dated 8 February 2023 passed in O.P. 488 of 2020 before the Madras High Court. The Court has fixed a hearing date on 19 December 2023.

On 19 December 2023, the Madras High Court adjourned the hearing of the appeal to a later date to be advised in due course.

## **(II) Pengurusan Air Selangor Sdn Bhd ("PASSB")**

### **Shah Alam High Court Suit No: BA-22NCVC-228-04/2017 Pengurusan Air Selangor Sdn Bhd vs Puncak Niaga Holdings Berhad & 5 Others ("the Suit")**

The Company had, on the evening of 9 May 2017, received a sealed copy of the Amended Writ together with an Amended Statement of Claim both dated 28 April 2017 from the solicitors of PASSB.

The Suit arose from alleged breaches on the Sale and Purchase Agreement dated 11 November 2014 ("SPA") between the Company and PASSB relating to the disposals of Puncak Niaga (M) Sdn. Bhd. ("PNSB") and 70% equity interest and RM212.0 million nominal value of redeemable convertible loan stocks held in SYABAS by the Company to PASSB for RM1,555.3 million in line with the consolidation/restructuring of the water industry in the State of Selangor and the Federal Territories of Kuala Lumpur and Putrajaya by the State Government and the Federal Government. The disposals of PNSB and SYABAS were completed on 15 October 2015.

The Company is named as the First Defendant in the Suit. The relief sought by PASSB against the Company is as follows:

- (i) a sum of RM63,237,583.05 ("Sum") to be paid within 14 days from the date of the Honourable Court judgment.
- (ii) interests on the Sum at the rate of 5% per annum to be calculated from 22 August 2016 until full payment thereof.
- (iii) a declaration that the Company continues to indemnify PASSB for all losses which arises after the filing of this claim that PASSB may suffer as a result of the breaches in this action, including but not limited to future RPGT relation to the transfer of properties of PNSB to the Company Group under the SPA.

- (iv) general damages to be assessed (“Assessed Damages”) and interests on the Assessed Damages at the rate of 5% per annum to be calculated from the date of assessment until full payment thereof.
- (v) an order that the Company do deliver to PASSB the original or photocopies of PNSB’s documents within seven (7) days from the date of the Honourable Court order.
- (vi) costs and interests at the rate of 5% and other reliefs or orders that the Honourable Court may deem fit and proper to grant.

The alleged breaches are said to arise from a breach of the SPA, amongst others, Clauses 7.2(c), 7.2(d) and the Representations and Warranties of Puncak in Schedule 2, Clause 10.1.5.

The Sum of RM63,237,583.05 is made out of, amongst others, alleged payments made in respect of the Non-CA Related Business.

The Company had instructed its solicitors to contest the matter and to file an appearance at the pre-trial case management on 17 May 2017.

On 17 May 2017, the Court fixed another pre-trial case management on 18 July 2017. Meanwhile, the Company filed an appearance on 16 May 2017.

The Company filed its Defence on 20 June 2017 and a copy of the Defence was served on PASSB’s solicitors on 21 June 2017. Puncak received a copy of PAAB’s reply to the Defence on 14 July 2017.

On 5 July 2017, PASSB served a sealed application to restrain Puncak’s solicitors from acting in the proceeding for the Suit.

At the case management held on 18 July 2017, the Court scheduled PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit on 24 August 2017. Meanwhile, Puncak and Puncak’s solicitors filed and served their affidavit in replies to oppose the said application by PASSB on 17 July 2017.

At the case management held on 21 August 2017, the Court adjourned the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit to 14 September 2017. Meanwhile, the respective submission in reply is due on 4 September 2017.

At the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit held on 14 September 2017, the Court adjourned the hearing of the said application to 26 September 2017.

At the hearing held on 26 September 2017, the Court adjourned the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit to 30 November 2017.

At PASSB’s request, the Court brought forward the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit to 9 November 2017.

PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit was part heard on 9 November 2017, 30 November 2017, 29 December 2017 and completed on 15 January 2018.

On 27 February 2018, the Judge allowed PASSB’s application to restrain its solicitors from acting in the proceedings with costs. Having consulted its solicitors, Puncak gave instructions to them to lodge an appeal to the Court of Appeal against this decision. Meanwhile, the Judge fixed the PASSB’s claim for case management on 29 March 2018.

On 14 March 2018, the Judge recorded a stay of the Order dated 27 February 2018 to restrain Puncak's solicitors from acting in the proceedings with costs until the hearing and final disposal of Puncak's appeal to the Court of Appeal against the said decision. Meanwhile, Puncak's application to stay further proceedings in the High Court pending the disposal of Puncak's appeal was fixed for hearing on 29 March 2018.

Puncak's Notice of Appeal to appeal against the decision of the High Court dated 27 February 2018 to restrain its solicitors from acting in the proceedings was filed and served on 14 March 2018. The Court of Appeal fixed the matter for case management on 30 May 2018 before the Deputy Registrar of the Court of Appeal.

On 29 March 2018, the Judge recorded a stay of all further proceedings in the High Court pending the hearing and final disposal of Puncak's appeal against the Order dated 27 February 2018 to restrain Puncak's solicitors from acting in the proceedings with costs, except for any interlocutory applications by the other defendants in the action. The matter was fixed for case management on 2 May 2018.

The case management originally fixed on 2 May 2018 was postponed to 1 June 2018 by the High Court.

On 30 May 2018, Puncak's appeal to the Court of Appeal against the decision to restrain Puncak's solicitors from acting was called up for case management. The appeal will be further case managed on 3 July 2018 before the Deputy Registrar of the Court of Appeal pending receipt of the High Court's grounds of judgment and notes of proceedings.

On 1 June 2018, the case management was adjourned to 4 July 2018 for parties to update the High Court on the status of Puncak's appeal to the Court of Appeal against the decision to restrain Puncak's solicitors from acting.

On 3 July 2018, Puncak's appeal to the Court of Appeal against the decision to restrain Puncak's solicitors from acting was called up for further case management. The appeal will be further case managed on 18 July 2018 before the Deputy Registrar of the Court of Appeal pending the filing of the Supplementary Record of Appeal and to fix a hearing date for the appeal.

The case management which was fixed on 4 July 2018 was subsequently adjourned by the High Court to 18 September 2018 for parties to update the Court on the status of Puncak's appeal to the Court of Appeal against the decision to restrain Puncak's solicitors from acting.

Puncak's appeal to the Court of Appeal against the decision to restrain Puncak's solicitors from acting was called up for case management on 18 July 2018. The appeal was fixed for final case management on 8 October 2018 before the Deputy Registrar of the Court of Appeal, and the appeal was fixed for hearing on 18 October 2018.

On 18 September 2018, the case management was adjourned to 24 October 2018 for parties to update the Court on the outcome of Puncak's appeal to the Court of Appeal against the decision to restrain solicitors from acting for Puncak.

Puncak's appeal to the Court of Appeal against the decision to restrain Puncak's solicitors from acting which was fixed for hearing on 18 October 2018, was taken-off by the Court of Appeal and the hearing of the appeal was adjourned to 8 January 2019.

The case management scheduled on 24 October 2018 was adjourned to 14 January 2019 for parties to update the Court on the outcome of Puncak's appeal to the Court of Appeal against the decision to restrain solicitors from acting for Puncak.

On 8 January 2019, the Court of Appeal dismissed Puncak's appeal with costs against the decision to restrain Puncak's solicitors from acting. Puncak will consider the next course of action in defending the suit by PASSB.

On 14 January 2019, the High Court fixed the next case management on 28 January 2019 for parties to update the High Court on whether Puncak is appealing the Court of Appeal's decision dated 8 January 2019 in respect of the Discqualification Application.

On 28 January 2019, the case management before the Shah Alam High Court Judge was adjourned to 12 February 2019 for parties to update the Court on whether PNHB is appealing the Court of Appeal's dismissal of PNHB's appeal against the High Court's decision to restrain PNHB's current solicitors from acting for PNHB.

The case management on 12 February 2019 before the Shah Alam High Court Judge was postponed to 1 March 2019.

On 1 March 2019, Puncak's new solicitors attended the case management and the High Court fixed the next case management on 9 April 2019.

At the case management held on 9 April 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 27 May 2019.

At the case management held on 27 May 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 4 July 2019.

At the case management held on 4 July 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 6 August 2019.

At the case management held on 6 August 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 11 September 2019.

At the case management held on 11 September 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 3 October 2019.

At the case management held on 3 October 2019, the plaintiff filed an application to amend the Amended Statement of Claim and the said application was fixed for hearing on 21 October 2019. The High Court further directed the parties to comply with the pre-trial directions. The trial dates in November were maintained.

At the case management held on 21 October 2019, the plaintiff withdrew the application to amend the Amended Statement of Claim. The Court allowed the withdrawal and fixed the next case management on 22 October 2019. The trial dates in November 2019 were maintained.

At the case management held on 22 October 2019, the High Court directed the parties to comply with the pre-trial directions. The trial dates in November 2019 were maintained.

On 4 November 2019, the Court vacated the trial dates scheduled on 4 November 2019 to 6 November 2019 because the Judge was on medical leave.

At the trial held on 18 November 2019, the Court fixed the continued trial on 7 March 2020, 17 April 2020, 11 August 2020, 12 August 2020, 13 August 2020, 8 September 2020, 10 September 2020, 15 September 2020, 17 September 2020, 22 September 2020, 23 September 2020, 24 September 2020, 29 September 2020, 30 September 2020, 6 October 2020, 7 October 2020, 8 October 2020, 13 October 2020, 14 October 2020 and 15 October 2020.

The Court also fixed 23 June 2020, 24 June 2020, 25 June 2020, 8 July 2020 and 9 July 2020 tentatively for continued trial pending confirmation from all the parties.

The Court subsequently confirmed that the tentative continued trial dates on 23 to 25 June 2020 are confirmed whilst the tentative continued trial dates on 8 to 9 July 2020 were taken off.

At the case management held on 22 January 2020, the plaintiff filed an application to amend the Amended Statement of Claim and the said application was fixed for hearing on 9 March 2020.

At the case management on 27 February 2020, the Court maintained the hearing date fixed on 9 March 2020 for the plaintiff's application to amend the Amended Statement of Claim. The Court also vacated the trial date fixed on 17 March 2020.

At the hearing for the plaintiff's application to amend the Amended Statement of Claim on 9 March 2020, the Court fixed the matter for decision on 30 March 2020.

Due to the Extended Movement Control Order imposed by the Government due to COVID-19 outbreak, the Court subsequently fixed the matter for decision on 14 May 2020.

On 14 May 2020, the High Court dismissed the plaintiff's application to amend the Amended Statement of Claim with costs and vacated the trial dates fixed in June 2020.

The trial dates on 11 August 2020 to 13 August 2020 were vacated by the High Court as the Judge was unwell.

The trial proceeded as scheduled in September 2020 and October 2020 except for the trial dates on 22 September 2020 to 24 September 2020, 6 October 2020 to 8 October 2020 and 13 October 2020 to 15 October 2020 which were vacated by the Court. The trial date on 2 November 2020 was subsequently vacated due to the extended Conditional Movement Control Order ("CMCO").

The next trial dates will be on 4 January 2021 and 5 January 2021.

The Shah Alam High Court vacated the trial dates fixed on 14 January 2021, 18 January 2021, 2 February 2021 and 3 February 2021.

The trial proceeded on 4 January 2021, 5 January 2021, 8 March 2021, and 9 March 2021 respectively. The trial dates fixed on 13 April 2021 and 14 April 2021 were vacated because the trial judge will be transferred with effect on 5 April 2021 and the parties need to wait for further directions from the Shah Alam High Court with regards to the continued trial. The Shah Alam High Court fixed a case management on 13 April 2021.

On 19 March 2021, the Company announced that the trial will be continued before the current trial judge on 4 May 2021 to 6 May 2021. The Shah Alam High Court vacated the case management fixed on 13 April 2021 and vacated the trial date fixed on 3 May 2021.

The trial date on 5 May 2021 was subsequently vacated by the Court and the trial continued on 4 May 2021 and 6 May 2021. The trial dates fixed in June 2021 were maintained.

On 3 June 2021, the Company announced that in light of the full Movement Control Order ("FMCO") imposed by the Government, the trial dates fixed on 11 June 2021 and 14 June 2021 had been vacated.

The continued trial dates for the Suit fixed on 6 October 2021 and 11 November 2021 were subsequently vacated by the Shah Alam High Court.

The Shah Alam High Court has fixed the continued trial dates of the Suit on 24 March 2022, 25 March 2022 and 18 April 2022. The continued trial dates of the Suit fixed on 24 March 2022 and 25 March 2022 were subsequently vacated by the Shah Alam High Court and the trial proceeded on 18 April 2022 and 22 June 2022.

The Shah Alam High Court has fixed the continued trial dates of the Suit on 22 September 2022, 18 October 2022, 19 October 2022, 31 October 2022 and 17 November 2022.

The hearing scheduled for 22 September 2022, 18 October 2022, 19 October 2022 and 31 October 2022 were vacated by the Shah Alam High Court. The hearing date of the Suit fixed on 17 November 2022 was vacated and converted into a case management.

The continued trial dates of the Suit on 16 February 2023, 27 to 28 March 2023 and 6 April 2023 were subsequently vacated by the Shah Alam High Court.

At the case management on 4 April 2023, the Shah Alam High Court fixed the next case management for the Suit on 25 May 2023.

At the case management on 25 May 2023, the Shah Alam High Court fixed the next case management for the Suit on 27 June 2023.

At the case management for the Suit on 27 June 2023, the Shah Alam High Court fixed a further case management on 24 August 2023.

On 25 September 2023, Puncak announced that the plaintiff, Pengurusan Air Selangor Sdn Bhd had withdrawn its claim against the defendants, of which Puncak is a defendant. The Shah Alam High Court had struck off the Suit with no order as to costs and with no liberty to file afresh.

### **(III) Puncak Niaga Holdings Berhad ("Puncak")**

**Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad ("Plaintiff") vs 1. Tan Sri Dato' Seri Khalid bin Ibrahim 2. Dato' Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively "Defendants")**

The solicitors of Puncak as the Plaintiff ("Plaintiff") served the sealed Writ of Summons vide Shah Alam High Court Suit No. BA-21NCvC-72-10/2017 together with the Statement of Claim dated 27 October 2017 on:-

- (i) the solicitors of Tan Sri Dato' Seri Abdul Khalid bin Ibrahim ("Tan Sri Khalid"), as the former Menteri Besar of Selangor on 2 November 2017;
- (ii) Dato' Seri Mohamed Azmin bin Ali ("Dato' Seri Azmin"), as the present Menteri Besar of Selangor on 21 November 2017; and
- (iii) the Selangor State Government ("Selangor State Government") on 6 November 2017; collectively "the Defendants".

The suit is initiated by Puncak against the Defendants including the Selangor State Government, who Puncak asserts is vicariously liable for the tortious acts of Tan Sri Khalid and Dato' Seri Azmin in abusing their powers in public office/misfeasance by threatening to cause and/or requesting or attempting to cause the Federal Government to invoke use of the Water Services Industry Act 2006 ("WSIA") to force a take-over of the State's water industry.

Puncak claims damages, interest on damages and costs of:-

- (a) the difference between the value of PNSB Water Sdn Bhd (formerly known as Puncak Niaga (M) Sdn Bhd) ("PNSB") and Syarikat Bekalan Air Selangor Sdn Bhd ("SYABAS") at the range of RM2,081,000,000.00 to RM2,353,000,000.00 and the actual purchase consideration of RM1,555,300,000.00 under the Share Purchase Agreement dated 11 November 2014 between Puncak and Pengurusan Air Selangor Sdn Bhd; and
- (b) Loss of business opportunities (local and foreign) totalling RM13,496,009,000.

At the case management held on 28 November 2017, the Judge made directions for the filing of pleadings, the exchange of affidavits and submissions in respect of the 1st Defendant's ("Tan Sri Khalid") application to strike out the claim ("Striking out Application") as well as pre-trial case management directions as follows:-

- (a) Tan Sri Khalid's Striking out Application is fixed for decision on 23 January 2018.
- (b) The next case management before the Judge for parties to comply with pre-trial case management directions is on 12 February 2018.
- (c) The trial dates are scheduled on 28 March 2018 to 30 March 2018.

Meanwhile, the Judge directed parties to attempt mediation in January 2018.

The Selangor State Government's sealed Striking Out Application together with the Affidavit in Support was served on Puncak's solicitors on 19 December 2017.

At the case management of the Selangor State Government's application to strike out the claim on 20 December 2017, the Judge made directions for the filing of pleadings, the exchange of affidavits and submissions in respect of the same with a date for delivery of decision on 23 January 2018. Meanwhile, both Tan Sri Khalid and Dato' Seri Azmin filed and served their respective Defences, with Dato' Seri Azmin also filing a Counterclaim against Puncak by alleging that the claim is an abuse of process, and in turn, he claims for general damages, interest and costs.

Dato' Seri Azmin's sealed Striking Out Application with the Affidavit in Support was served on Puncak's solicitors on 12 January 2018 and the matter was fixed for Hearing on 23 January 2018.

At the hearing on 23 January 2018, the Judge fixed both Tan Sri Khalid's and the Selangor State Government's application to strike out the claim for oral arguments on 26 January 2018. As for Dato' Seri Azmin's application to strike out the claim, the Judge made directions for the exchange of affidavits and submissions with a date for delivery of decision on 22 February 2018. The Judge also adjourned the case management of the suit from 12 February 2018 to 22 February 2018.

On 26 January 2018, the Judge reserved decision on both striking out applications to 22 February 2018 after hearing the oral arguments on both Tan Sri Khalid's and the Selangor State Government's application to strike out the claim.

At the hearing on 22 February 2018, the Judge allowed the Defendants' applications and struck out the claim with costs. Accordingly, the Judge vacated all pre-trial directions and the trial dates from 28 March 2018 to 30 March 2018. As for the Counterclaim filed by Dato' Seri Azmin, the Judge directed the parties to file and exchange submissions with a date for delivery of decision on 13 March 2018 in respect of the Counterclaim.

Puncak gave instructions to its solicitors to lodge an appeal with the Court of Appeal against this decision.

On 26 February 2018, Puncak lodged an appeal with the Court of Appeal against the High Court's decision in allowing the Defendants' applications and striking out the claim with costs.



On 12 March 2018, the Judge granted the application by Dato' Seri Azmin's solicitors to adjourn the delivery of decision in respect of the Counterclaim filed by Dato' Seri Azmin ("Dato' Seri Azmin's Counterclaim"). The decision in respect of Dato' Seri Azmin's Counterclaim which was originally set on 13 March 2018 was adjourned to 15 March 2018.

On 15 March 2018, the Judge dismissed Dato' Seri Azmin's Counterclaim with costs.

Puncak's appeals to the Court of Appeal against the decision of the High Court in allowing the Defendant's applications and striking out claim with costs were all fixed for case management on 23 May 2018 before the Registrar of the Court of Appeal.

On 6 April 2018, Puncak's solicitors received a copy of Dato' Seri Azmin's Notice of Appeal to the Court of Appeal against the decision of the High Court in dismissing the Counterclaim with costs. The matter was fixed for case management on 25 May 2018 before the Registrar of the Court of Appeal.

On 18 May 2018, Dato' Seri Azmin's appeal to the Court of Appeal against the High Court's decision in dismissing his Counterclaim against Puncak was fixed for case management on 25 May 2018 before the Registrar of the Court of Appeal.

On 23 May 2018, Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim was fixed for hearing on 30 August 2018 at the Court of Appeal.

On 25 May 2018, the Registrar of the Court of Appeal fixed Dato' Seri Azmin's appeal to the Court of Appeal against the High Court's decision in dismissing his Counterclaim against Puncak for further case management on 2 July 2018 pending the receipt of the grounds of judgment from the High Court and the filing of the Record of Appeal.

On 2 July 2018, Dato' Seri Azmin's appeal to the Court of Appeal against the High Court's decision in dismissing his Counterclaim against Puncak was called up for case management. The Registrar of the Court of Appeal fixed the said appeal for further case management on 18 July 2018 pending the filing of the Record of Appeal.

At the case management on 18 July 2018, the Registrar of the Court of Appeal fixed Dato' Seri Azmin's appeal to the Court of Appeal against the High Court's decision in dismissing his Counterclaim against Puncak for hearing on 5 November 2018.

The hearing of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim which was scheduled on 30 August 2018 was adjourned to 15 January 2019 at the Court of Appeal.

On 8 October 2018, Puncak's solicitors received notification from the Court of Appeal that Puncak's appeal against the High Court's decision in allowing Tan Sri Khalid's application to strike out the claim was scheduled for case management on 21 November 2018 before the Deputy Registrar at the Court of Appeal.

The hearing of Dato' Seri Azmin's appeal to the Court of Appeal against the High Court's decision in dismissing his Counterclaim against Puncak that was scheduled on 5 November 2018 was vacated as Dato' Seri Azmin had withdrawn the said appeal.

Puncak's solicitors received notification and confirmation from the Court of Appeal that Puncak's appeal against the High Court's decision in allowing Tan Sri Khalid, Dato' Seri Azmin's and the Selangor State Government's application to strike out the claim which were scheduled on 21 November 2018 was rescheduled for case management on 10 December 2018 before the Deputy Registrar at the Court of Appeal.

On 10 December 2018, the Court of Appeal adjourned the hearing of Puncak's appeals to 8 March 2019 which was originally fixed on 15 January 2019.

On 8 March 2019, the Court of Appeal adjourned the matter for case management on 30 April 2019.

On 30 April 2019, the Court of Appeal adjourned the matter for the further case management on 28 June 2019.

The case management of Puncak's appeals against the High Court's decision in allowing the defendant's applications and striking out the claim was adjourned for further case management on 20 August 2019 at the Court of Appeal.

On 20 August 2019, the case management of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim was adjourned for further case management on 25 September 2019 at the Court of Appeal.

On 25 September 2019, the case management of Puncak's appeal against the High Court's decision in allowing the defendants' applications and striking out the claim was adjourned for further case management on 18 November 2019 at the Court of Appeal.

On 18 November 2019, the case management of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim was adjourned for further case management on 22 January 2020 at the Court of Appeal.

On 28 November 2019, Puncak was informed that the case management of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim which was previously fixed on 22 January 2020 had been brought forward to 6 December 2019 at the Court of Appeal.

On 6 December 2019, the case management of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim was adjourned for further case management on 20 December 2020 at the Court of Appeal.

On 20 December 2019, the case management of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim was adjourned for further case management on 10 January 2020 at the Court of Appeal.

Subsequently, the case management of Puncak's appeals against the High Court's decision in allowing the defendants' applications and striking out the claim which was scheduled on 10 January 2020 was vacated. The next case management fixed on 7 February 2020 at the Court of Appeal was also vacated.

At the case management of Puncak's appeals at the Court of Appeal on 13 February 2020, the Court of Appeal fixed the Hearing of Puncak's appeals on 22 June 2020.

The Hearing of Puncak's appeals at the Court of Appeal on 22 June 2020 was vacated and in lieu thereof, a case management was held. The Court of Appeal fixed another case management date on 8 July 2020 for the re-scheduling of the Hearing of Puncak's appeals.

At the Hearing of Puncak's appeals at the Court of Appeal on 11 February 2021, the Court of Appeal decided as follows:-

(a) The appeal against Tan Sri Dato' Seri Khalid bin Ibrahim and the Selangor State Government were allowed with costs in the cause. The matter was remitted for trial at the Shah Alam High Court. A case management was fixed on 18 February 2021.

(b) The appeal against Dato' Seri Mohamed Azmin bin Ali was dismissed with costs of RM10,000.00.

On 18 February 2021, the case management of Puncak's claim at the Shah Alam High Court against Tan Sri Dato' Seri Khalid bin Ibrahim and the Selangor State Government was vacated and re-scheduled to 5 March 2021.

At the case management of Puncak's claim at the Shah Alam High Court on 5 March 2021, the Shah Alam High Court fixed the next case management on 8 April 2021 for Tan Sri Khalid and the Selangor State Government to update the Shah Alam High Court on the status of their respective Defences and Tan Sri Khalid's intended appeal to the Federal Court.

At the case management of Puncak's claim at the Shah Alam High Court on 8 April 2021, the Shah Alam High Court gave directions for the filing and exchange of affidavits and submissions vis-à-vis the Selangor State Government's application to amend its Defence and fixed the next case management on 8 June 2021 to monitor these matters. The Shah Alam High Court also fixed a separate case management date on 7 May 2021 for Tan Sri Khalid to update the Shah Alam High Court on the status of his motion for leave to appeal to the Federal Court and his intended application to amend his Defence.

At the case management of Puncak's claim at the Shah Alam High Court against Tan Sri Khalid and the Selangor State Government on 7 May 2021, the Selangor State Government withdrew its application to amend its Defence with liberty to file afresh and with no orders as to costs. The Shah Alam High Court vacated the case management originally fixed on 8 June 2021 and fixed the next case management on 25 June 2021 pending the outcome of Tan Sri Khalid's motion for leave to appeal to the Federal Court.

At the case management of Puncak's claim at the Shah Alam High Court on 25 June 2021, the Court directed the Selangor State Government to file its amendment application and supporting affidavit within a week after the Movement Control Order is lifted or after law firms are allowed to operate. Puncak is directed to file its reply affidavit within 14 days after receipt of the Selangor State Government's affidavit in support. The High Court also directed Tan Sri Khalid to file his amendment application on or before the next case management on 22 July 2021.

At the case management of Puncak's claim at the Shah Alam High Court on 22 July 2021, the High Court fixed a further case management on 9 August 2021 for Puncak to inform the High Court whether it agrees with Tan Sri Khalid's proposed amendments to his Defence and for the Selangor State Government to update the High Court on the status of its amendment application.

At the case management of Puncak's claim at the Shah Alam High Court on 9 August 2021, the High Court fixed another case management on 20 August 2021 to give further directions on the Selangor State Government's application to amend its Defence.

At the case management of Puncak's claim at the Shah Alam High Court on 20 August 2021, the High Court fixed another case management on 10 September 2021 for Puncak to update the High Court on its reply affidavit (if any) to the Selangor State Government's amendment application and Puncak's amended reply to Tan Sri Khalid's amended defence.

At the case management of Puncak's claim at the Shah Alam High Court on 10 September 2021, the High Court fixed the Selangor State Government's amendment application for hearing on 24 September 2021 and the next case management of Puncak's claim on 24 September 2021. Puncak was directed to file its Amended Reply to Tan Sri Khalid's Amended Defence by 1 October 2021.

At the hearing of the Selangor State Government's amendment application and case management of Puncak's claim at the Shah Alam High Court on 24 September 2021, the High Court allowed the Selangor State Government's amendment application with no orders as to costs, as agreed between the parties. The High Court gave further directions on the filing and service of pleadings between Puncak and the Selangor State Government and fixed the next case management of Puncak's claim on 16 November 2021 which was subsequently rescheduled to 21 December 2021.

At the case management of Puncak's claim on 21 December 2021, the Shah Alam High Court gave further directions regarding pre-trial documents and fixed the next case management on 7 February 2022 which was subsequently rescheduled to 17 March 2022.

The case management on 17 March 2022 was vacated and rescheduled to 18 April 2022 by the Shah Alam High Court.

At the case management of Puncak's claim on 18 April 2022, the Shah Alam High Court fixed the next case management on 22 April 2022.

At the case management of Puncak's claim on 22 April 2022, the Shah Alam High Court gave pre-trial directions to parties and fixed the next case management on 30 June 2022.

At the case management of Puncak's claim on 30 June 2022, the Shah Alam High Court fixed the next case management on 6 October 2022 and also fixed the trial dates on 14 to 17 August 2023, 2 to 5 October 2023 and 9 to 12 October 2023.

At the case management of Puncak's claim on 6 October 2022, the Shah Alam High Court was informed that Puncak will proceed with the action against the Defendants despite the demise of Tan Sri Khalid on 31 July 2022. The Shah Alam High Court fixed the next case management on 30 November 2022 for his solicitors on record to update on the estate's status and for parties to discuss the pre-trial documents.

At the case management of Puncak's claim on 30 November 2022, the Shah Alam High Court was informed that Tan Sri Dato' Seri Khalid bin Ibrahim's family require some time to appoint solicitors for the case. The Shah Alam High Court fixed the next case management on 3 February 2023.

At the case management of Puncak's claim on 3 February 2023, the Shah Alam High Court directed Puncak to file the relevant application to substitute Tan Sri Dato' Seri Khalid bin Ibrahim with the administrators of his estate by 20 February 2023. Tan Sri Khalid's estate's solicitors were directed to provide Puncak's solicitors with the requisite documents and information to do so. The Shah Alam High Court fixed the next case management on 20 February 2023.

The Shah Alam High Court was informed at the case management on 20 February 2023 that Puncak had filed an ex-parte application to substitute the late Tan Sri Dato' Seri Khalid bin Ibrahim with the administrator of his estate. The case management was stood down until 21 February 2023 for the administrator of the estate to inform the Shah Alam High Court of its position vis-à-vis Puncak's substitution application.

At the case management of Puncak's application to substitute the late Tan Sri Dato' Seri Abdul Khalid bin Ibrahim with the administrator of his estate on 21 February 2023, the Shah Alam High Court fixed the matter for hearing on 27 February 2023 to be followed by a case management of Puncak's claim thereafter.

On 27 February 2023, the Shah Alam High Court allowed Puncak's application to substitute the late Tan Sri Dato' Seri Abdul Khalid bin Ibrahim with the administrator of his estate as a party to Puncak's claim. The case management of Puncak's claim before the Registrar of the Shah Alam High Court commenced on 27 February 2023 and continued until 2 March 2023 wherein the Registrar directed parties to comply with the filling of the documents of the pre-trial case management directions and fixed the next case management on 28 April 2023.

At the continued case management of Puncak's claim at the Shah Alam High Court on 3 March 2023, the Registrar directed Tan Sri Dato' Seri Abdul Khalid bin Ibrahim's estate to follow up with Puncak on his proposed amendments to his defence and to file an amendment application, if necessary, by 17 March 2023.

At the case management of Puncak's claim on 28 April 2023, the Shah Alam High Court fixed the next case management on 27 June 2023.

At the case management of Puncak's claim on 27 June 2023, the Shah Alam High Court vacated the trial dates fixed previously on 14 to 17 August 2023 and maintained the trial dates on 2 to 5 October 2023 and 9 to 12 October 2023 respectively. A case management is also fixed on 27 July 2023 during which the Shah Alam High Court may direct parties to comply with pre-trial directions.

The case management of Puncak's claim at the Shah Alam High Court which commenced on 27 July 2023 and had yet to be concluded was deferred to 31 July 2023 by the Deputy Registrar of the Shah Alam High Court.

At the case management of Puncak's claim at the Shah Alam High Court on 31 July 2023, the Shah Alam High Court fixed the next case management on 25 August 2023 during which the Shah Alam High Court may direct parties to comply with pre-trial directions.

At the case management of Puncak's claim on 25 August 2023, the Shah Alam High Court fixed a further case management date on 21 September 2023 and vacated the trial dates previously fixed on 2 to 5 October 2023 and 9 to 12 October 2023.

On 25 September 2023, Puncak announced that the Company's solicitors had filed the Notice of Discontinuation of Puncak's claim at the Shah Alam High Court with no order as to costs and without liberty to file afresh. Hence, the Shah Alam High Court had struck off the case.

The discontinuation of Puncak's claim was made after careful consideration of the following: -

- (i) Puncak's claim was initiated in October 2017 which was 6 years ago and had yet to proceed to trial at the Shah Alam High Court.
- (ii) The discontinuation of Puncak's claim will enable Puncak to reduce incurring more resources and further costs to pursue the matter in court.
- (iii) Due to evolving changes in the challenging business environments regulating Puncak and Puncak Group of Companies where the Company's/ Group's operations are entirely in Malaysia, the discontinuation of Puncak's claim will allow Puncak to focus on the pursuit of its business objectives and strategies towards the long-term sustainable growth of Puncak Group of Companies.

### **Tan Sri Khalid's appeal to the Federal Court (Dismissed on 23 June 2021)**

Tan Sri Khalid subsequently filed an application for leave at the Federal Court to appeal against the Court of Appeal's decision dated 11 February 2021 in allowing Puncak's appeal. The leave application was fixed for case management on 8 April 2021.

On 8 April 2021, the Federal Court fixed the next case management on 13 April 2021.

At the case management at the Federal Court on 13 April 2021, the Federal Court scheduled the said motion for an online hearing on 23 June 2021. A further case management was fixed on 4 June 2021 for parties to file written submissions for the said motion.

On 23 April 2021, a further case management of Tan Sri Khalid's motion for leave to appeal to the Federal Court was fixed on 28 April 2021.

At the case management of Tan Sri Khalid's motion for leave to appeal to the Federal Court on 28 April 2021, the Federal Court maintained the Hearing of the said motion on 23 June 2021.

At the case management of Tan Sri Khalid's motion for leave to appeal to the Federal Court on 4 June 2021, the Federal Court directed parties to file written submissions on 8 June 2021. The next case management is fixed on 16 June 2021.

At the case management of Tan Sri Khalid's motion for leave to appeal to the Federal Court on 16 June 2021, the Federal Court maintained the hearing date for the matter on 23 June 2021.

At the case management of Tan Sri Khalid's motion for leave to appeal to the Federal Court on 23 June 2021, the Federal Court dismissed the motion with costs of RM30,000.00 to be paid by Tan Sri Khalid to Puncak within 14 days. The said sum was subsequently paid to Puncak.

**(IV) PNCBSB**

**Two (2) Notices of Arbitration issued under the KLRCA in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to PNCBSB**

**(a) Notice of Arbitration dated 17 June 2016 issued under KLRCA in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to PNCBSB**

On 20 June 2016, PNCBSB received a Notice of Arbitration dated 17 June 2016 from Genbina to refer the disputes or differences arising from the termination of the contract contained in a Letter of Award and its Addendums ("Contract") and an Operate, Maintain and Service Agreement under the Contract ("OMSA") for the Pakej D44 - Pembinaan Rangkaian Paip Pembetulan di Bunus, Kuala Lumpur" ("D44 Project") to arbitration under KLRCA in accordance to the Arbitration Act 2005 and the Arbitration (Amendment) Act 2011 for the alleged sum of RM119,699,168.11 together with the damages, interest, costs as such other relief as the learned arbitrator deems fit or proper and PNCBSB has instructed its solicitor to contest the matter.

On 18 July 2016, PNCBSB issued a response to Genbina's Notice of Arbitration dated 17 June 2016 through its solicitors. In summary, PNCBSB's response denied the claims asserted by Genbina in its Notice of Arbitration dated 17 June 2016 as well as raised numerous set-offs and/or counterclaim against Genbina's claims in its Notice of Arbitration dated 17 June 2016.

**(b) Notice of Arbitration dated 17 June 2016 issued under the KLRCA in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to PNCBSB**

On 20 June 2016, PNCBSB received a Notice of Arbitration dated 17 June 2016 from Genbina to refer the disputes or differences arising from the termination of the Contract and an OMSA for the D44 Project to arbitration under KLRCA in accordance to the Arbitration Act 2005 and the Arbitration (Amendment) Act 2011 for the alleged sum of RM24,171,671.43 together with the damages, interest, costs as such other relief as the learned arbitrator deems fit or proper and PNCBSB has instructed its solicitor to contest the matter.

On 18 July 2016, PNCBSB issued a response to Genbina's Notice of Arbitration dated 17 June 2016 through its solicitors. In summary, PNCBSB's response denied the claims asserted by Genbina in its Notice of Arbitration dated 17 June 2016 as well as raised numerous set-offs and/or counterclaim against Genbina's claims in its Notice of Arbitration dated 17 June 2016.

**(c) Three (3) Notices of Arbitration issued under the KLRCA in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 by PNCBSB**

PNCBSB had on 18 July 2016 issued three (3) separate Notices of Arbitration dated 18 July 2016 to Genbina to refer the disputes or differences arising from the termination of the Contract, an OMSA and Workers' Agreement dated 12 October 2015 ("Workers' Agreement") relating to the D44 Project to arbitration.

The details of the Notices of Arbitration dated 18 July 2016 issued by PNCSB to Genbina are as follows:

- (i) In respect of the Notice of Arbitration arising from the Contract, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's breaches under the Contract which led to PNCSB's termination of the Contract. PNCSB seeks to recover the loss and damage suffered by PNCSB from Genbina in the arbitration;
- (ii) In respect of the Notice of Arbitration arising from the OMSA, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's wrongful acts under the OMSA over Genbina's failure to return the Machineries & Equipment belonging to PNCSB under the OMSA, unlawfully removing the said Machineries & Equipment from the D44 Project site and wrongfully detaining them. PNCSB seeks to recover the loss and damage suffered by PNCSB from Genbina in the arbitration; and
- (iii) In respect of the Notice of Arbitration arising from the Workers' Agreement, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's breach of the Workers' Agreement over Genbina's failure and/or refusal to pay the foreign workers' salaries and to bear all direct and incidental costs for their repatriation, amongst others. PNCSB seeks to recover its loss and damage suffered from Genbina in the arbitration.

PNCSB has asserted that it has suffered losses and damage arising from Genbina's breaches and wrongful acts under the Contract, OMSA and Workers' Agreement and is preparing a counter-claim against Genbina, which PNCSB has assessed and estimated to be in the region of RM152.2 million.

The two (2) separate arbitrations initiated by Genbina Sdn Bhd and the three (3) separate arbitrations initiated by PNCSB had been consolidated into a single arbitration proceeding. The arbitral tribunal was constituted and a preliminary meeting was called on 5 July 2017 wherein parties were given directions to move the arbitration forward.

The arbitral tribunal confirmed the hearing dates for the arbitration on 24 May 2021, 25 May 2021, 27 May 2021, 28 May 2021 and 31 May 2021 which were subsequently vacated and the arbitral tribunal fixed the new hearing dates on 20 December 2021 to 23 December 2021 and 28 December to 31 December 2021.

At the case management held on 13 December 2021, the Arbitral Panel vacated the hearing dates fixed on 20 December 2021 to 23 December 2021 and 31 December 2021. The Arbitral Panel further fixed a new hearing date on 27 December 2021 and maintained the hearing dates of 28 December 2021 to 30 December 2021 fixed previously for the arbitration proceeding.

The Arbitral Panel subsequently vacated the hearing dates fixed on 27 December 2021 to 30 December 2021. A case management was held by the Arbitral Panel on 27 December 2021 for further directions to be given in the arbitration proceedings.

No further directions were given by the Arbitral Panel at the case management held on 27 December 2021 as parties are to propose mutual hearing dates for the Arbitral Panel's consideration by 31 December 2021.

The continued hearing dates for the arbitration have been scheduled on 20 December 2022 to 23 December 2022, 30 January 2023 to 31 January 2023 and 2 February 2023 to 3 February 2023.

The hearing dates for the arbitration previously fixed on 20 December 2022 to 23 December 2022 were vacated by the Arbitral Tribunal. The hearing on 21 December 2022 was converted to a case management wherein the Arbitral Tribunal has fixed additional hearing dates in 2023 on 16 October 2023 to 20 October 2023 and 30 October 2023 to 3 November 2023.

The Arbitral Tribunal has vacated the hearing dates previously fixed on 30 and 31 January 2023 for the arbitration proceeding.

The hearing proceeded on 2 February 2023 to 3 February 2023.

The Arbitral Tribunal has fixed additional hearing dates on 11 to 12 April 2023 for the arbitration proceeding.

The hearing for the arbitration proceeding proceeded as scheduled on 11 April 2023. The hearing scheduled on 12 April 2023 was vacated by the Arbitral Tribunal.

The continued hearing dates for the arbitration previously fixed on 16 October 2023 to 20 October 2023 and 30 October 2023 to 3 November 2023 are maintained.

Upon the request of Genbina Sdn Bhd, the Arbitral Tribunal vacated the hearing dates fixed on 16 October 2023 to 17 October 2023 and maintained the remaining hearing dates previously fixed on 18 October 2023 to 20 October 2023 and 30 October 2023 to 3 November 2023.

The hearing dates fixed on 2 November 2023 to 3 November 2023 were taken off by the Arbitral Tribunal and the next hearing dates are fixed on 16 February 2024 and 3 May 2024.

The hearing for the arbitration proceeding proceeded as scheduled on 16 February 2024. The continued hearing date scheduled on 3 May 2024 is maintained.

**(d) Notice of Arbitration dated 26 October 2020 issued under AIAC in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to Mersing Construction and Engineering Sdn Bhd**

Puncak Niaga Construction Sdn Bhd ("PNCSB"), a wholly-owned subsidiary of Puncak had on 26 October 2020 issued a Notice of Arbitration dated 26 October 2020 against one of its sub-contractors for the D44 Project, Mersing Construction and Engineering Sdn Bhd ("Mersing"), to refer disputes relating to the true value of works carried out by Mersing up to 30 September 2020 as well as the value of PNCSB's entitlement to backcharges and/or deductions to be determined by the arbitral tribunal.

The details of the Notice of Arbitration issued by PNCSB are as follows:-

- (i) To seek a determination of the true value of work carried out by Mersing up to 30 September 2020, to determine the value of PNCSB's entitlement to backcharges and/or deductions, a declaration that Mersing is not entitled to any payment as determined in the adjudication decision dated 4 August 2020 ("Adjudication Decision") together with damages, interest and costs; and
- (ii) Further to the above and in the event any payment has been made pursuant to the Adjudication Decision, that such payment (or any sum thereto) shall be refunded to PNCSB.

PNCSB subsequently issued a commencement request to the Asian International Arbitration Centre ("AIAC") to commence the arbitration on 27 October 2020 and had also applied to the Kuala Lumpur High Court to stay the Adjudication Decision dated 4 August 2020 pending final determination of the dispute between PNCSB and Mersing by arbitration ("Stay Application").

The Stay Application was fixed for case management on 30 October 2020.

On 30 October 2020, the Kuala Lumpur High Court fixed the hearing of the Stay Application on 26 November 2020.



At the hearing on 26 November 2020, the Kuala Lumpur High Court reserved its decision to be delivered on 24 December 2020.

On 24 December 2020, the Kuala Lumpur High Court dismissed the Stay Application with costs of RM5,000.00 to Mersing.

On 12 January 2021, PNCSB's solicitors had, on behalf of PNCSB, filed an appeal on the Kuala Lumpur High Court's Decision on Stay Application, at the Court of Appeal ("PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application").

On 2 February 2021, the Court of Appeal fixed the case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 4 March 2021.

On 4 March 2021, the Court of Appeal fixed the next case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 5 May 2021.

On 5 May 2021, the Court of Appeal fixed the next case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 4 August 2021.

On 4 August 2021, the Court of Appeal fixed the next case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 6 October 2021.

At the case management of PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application at the Court of Appeal on 6 October 2021, the Court of Appeal fixed the next case management on 15 March 2022. The Court of Appeal also fixed the hearing date of PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 30 March 2022.

On 25 October 2021, Puncak announced that PNCSB has withdrawn PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application vide the filing of the Notice of Discontinuance at the Court of Appeal on 21 October 2021 and duly confirmed by the Court of Appeal on 22 October 2021.

**(e) Notice of Adjudication issued under the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") to PNCSB**

On 16 October 2023, PNCSB received a Notice of Adjudication dated 16 October 2023 to refer disputes arising from alleged payment claim under Sections 7 and 8 under the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") from its sub-contractor, City Tunnelling Sdn Bhd ("CTSB").

The alleged payment claim is for the sum of RM6,660,665.71 for the project "To Carry Out Supply and Lay Network Sewerage Pipe at Zone 3 and 3A (Retender) for D44 Project" together with interest and cost in relation to the adjudication proceedings.

On 26 October 2023, CTSB confirmed its acceptance to the Proposed Payment Schedule and to halt the adjudication proceedings vide CTSB's execution of the Confirmation of Acceptance to PNCSB's letter dated 25 October 2023.

On 6 November 2023, CTSB confirmed that WE Project Management PLT (CTSB's claims consultant) had been notified accordingly to the agreed Proposed Payment Schedule as an amicable settlement between the parties.

**(f) Two (2) Notices of Assessment issued by the Inland Revenue Board ("IRB") in accordance with the Income Tax Act 1967 ("ITA") to PNCSB**

On 3 December 2020, a wholly-owned subsidiary of Puncak, PNCSB filed a judicial review application at the Kuala Lumpur High Court ("Judicial Review Application") to challenge the notices of assessment known as Form G which PNCSB received from the IRB on 23 November 2020 for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (hereinafter referred to as "Notices"). These Notices were issued by the IRB under Section 44A(9) of the ITA consequent to the IRB's decision to disallow the losses surrendered by PNCSB to another related company which is also a wholly-owned subsidiary of Puncak, namely Puncak Niaga Management Services Sdn Bhd ("PNMSSB") under the group relief scheme.

Based on the legal advice obtained from its tax solicitors, PNCSB is of the view that it has good basis in law to contend that the Notices were erroneously and arbitrarily raised by the IRB. Accordingly, PNCSB had commenced the legal avenues available to challenge the Notices including the Judicial Review Application which commenced on 3 December 2020 against the Minister of Finance.

On 16 December 2020, the Kuala Lumpur High Court fixed PNCSB'S Judicial Review Application for leave hearing on 7 January 2021.

On 7 January 2021, the Kuala Lumpur High Court fixed PNCSB's Judicial Review Application for hearing on 2 March 2021. The Kuala Lumpur High Court also granted an interim stay of enforcement of the Form G on PNCSB until the hearing date on 2 March 2021. In the meantime, no taxes are payable by PNCSB since the interim stay had been granted.

The hearing of PNCSB's Judicial Review Application which was initially fixed on 2 March 2021 at the Kuala Lumpur High Court was vacated. The Kuala Lumpur High Court granted an interim stay of the enforcement on the Form G on PNCSB until the hearing of PNCSB's Judicial Review Application and the case management for the Inland Revenue Board's application to intervene on 20 April 2021. In the meantime, no taxes are payable by PNCSB since the interim stay had been granted.

At the case management for PNCSB's Judicial Review Application on 20 April 2021, the Kuala Lumpur High Court dismissed the Inland Revenue Board's application to intervene and subsequently granted an interim stay of the enforcement of the Form G on PNCSB until the hearing of PNCSB's Judicial Review Application on 2 June 2021. In the meantime, no taxes are payable by PNCSB since the interim stay had been granted.

The Director General of Inland Revenue ("DGIR") subsequently filed an appeal to the Court of Appeal in relation to the Kuala Lumpur High Court's decision dated 20 April 2021 to dismiss the Inland Revenue Board's application to intervene in PNCSB's Judicial Review Application. A copy of the DGIR's notice of appeal dated 5 May 2021 was served to PNCSB's solicitors on 10 May 2021.

In light of the Movement Control Order that is in force, the hearing of PNCSB's Judicial Review Application which were initially fixed on 2 June 2021 and 16 August 2021 were vacated. The Kuala Lumpur High Court granted an interim stay of the enforcement of Form G on PNCSB until the hearing of PNCSB's Judicial Review Application on 17 January 2022. In the meantime, no taxes are payable by PNCSB since the interim stay had been granted.

The hearing of PNCSB's Judicial Review Application fixed on 17 January 2022 was vacated and the Kuala Lumpur High Court fixed a new hearing date on 13 June 2022. An interim stay of the enforcement of Form G on PNCSB was granted by the Kuala Lumpur High Court until the hearing of PNCSB's Judicial Review Application on 13 June 2022. In the meantime, no taxes are payable by PNCSB.

The hearing of PNCSB's Judicial Review Application which was initially fixed on 13 June 2022 was converted into a case management upon the respondent's, the Ministry of Finance's request. At the case management, the Kuala Lumpur High Court directed parties to attend the leave hearing fixed on 20 October 2022. An interim stay of the enforcement of Form G on PNCSB was granted by the Kuala Lumpur High Court until the hearing of PNCSB's Judicial Review Application on 20 October 2022. In the meantime, no taxes are payable by PNCSB.

Upon the Kuala Lumpur High Court's instruction, the hearing of PNCSB's Judicial Review Application which was initially fixed on 20 October 2022 was rescheduled to 30 November 2022. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the hearing of PNCSB's Judicial Review Application on 30 November 2022. In the meantime, no taxes are payable by PNCSB.

Upon the Kuala Lumpur High Court's instruction, the hearing of PNCSB's Judicial Review Application which was fixed on 30 November 2022 was rescheduled to 30 March 2023. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the hearing of PNCSB's Judicial Review Application on 30 March 2023. In the meantime, no taxes are payable by PNCSB.

Upon the Kuala Lumpur High Court's instruction, the hearing of PNCSB's Judicial Review Application was rescheduled from 30 March 2023 to 13 July 2023. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the hearing of PNCSB's Judicial Review Application on 13 July 2023. In the meantime, no taxes are payable by PNCSB.

The hearing of PNCSB's Judicial Review Application which was fixed on 13 July 2023 was converted to a case management wherein the Kuala Lumpur High Court directed parties to attend the leave hearing on 3 October 2023. An interim stay of the enforcement of the Form G on PNCSB was also granted by the Kuala Lumpur High Court until the leave hearing of PNCSB's Judicial Review Application on 3 October 2023. In the meantime, no taxes are payable by PNCSB since the interim stay has been granted.

The hearing of PNCSB's Judicial Review Application which was fixed on 3 October 2023 was converted into a case management upon the application by the Director General of Inland Revenue ("DGIR"). The Kuala Lumpur High Court directed parties to attend the leave hearing on 21 November 2023. An interim stay of the enforcement of the Form G on PNCSB was also granted by the Kuala Lumpur High Court until the leave hearing of PNCSB's Judicial Review Application on 21 November 2023. In the meantime, no taxes are payable by PNCSB since the interim stay has been granted.

At the leave hearing of PNCSB's Judicial Review Application on 21 November 2023, the Kuala Lumpur High Court directed parties to attend the leave decision fixed on 22 January 2024. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the leave decision date on 22 January 2024. In the meantime, no taxes are payable by PNCSB since the interim stay has been granted.

Pursuant to the leave decision fixed on 22 January 2024 and concluded on 23 January 2024, the Kuala Lumpur High Court disallowed PNCSB's leave application for Judicial Review.

PNCSB filed a Notice of Appeal dated 20 February 2024 to the Court of Appeal against the Kuala Lumpur High Court's decision of not allowing the leave application for Judicial Review on 22 January 2024.

Pursuant to the Notice of Appeal dated 20 February 2024 filed by PNCSB, the Court of Appeal has fixed for first case management on 20 May 2024.

**Application to the Court of Appeal by IRB to Intervene in PNCSB's Judicial Review Application ("IRB's Application to Intervene in PNCSB's Judicial Review Application")**

At the first case management of the IRB's Application to Intervene in PNCSB's Judicial Review Application at the Court of Appeal on 18 August 2021, the IRB requested for more time to file an additional record of appeal. Thereafter, the Court of Appeal directed parties to attend the next case management fixed on 28 September 2021.

At the case management of the IRB's Application to Intervene in PNCSB's Judicial Review Application at the Court of Appeal on 28 September 2021, PNCSB's solicitor requested for more time to finalise the notes of proceedings as the IRB had sent the draft notes of proceedings to PNCSB's solicitor on 27 September 2021. Thereafter, the Court of Appeal directed parties to attend the next case management fixed on 2 November 2021.

At the case management of the IRB's Application to Intervene in PNCSB's Judicial Review Application at the Court of Appeal on 2 November 2021, the Court of Appeal directed that the case be heard together with another similar IRB appeal case at the Court of Appeal at the hearing fixed on 14 December 2021. The Court of Appeal also fixed the next case management on 23 November 2021 for parties to update the Court on the filing of the written submissions.

At the hearing of the IRB's Application to Intervene in PNCSB's Judicial Review Application at the Court of Appeal on 14 December 2021, the Court of Appeal allowed the DGIR's appeal with costs to the cause. Since the interim stay of the enforcement of the Form G on PNCSB granted by the Kuala Lumpur High Court is still in force until the hearing of PNCSB's Judicial Review Application, no taxes are payable by PNCSB in the meantime.

**PNCSB's Appeal to the Federal Court in relation to the Court of Appeal's Decision Dated 14 December 2021 in relation to the IRB's Application to intervene in PNCSB's Judicial Review Application**

PNCSB had filed a notice of motion on 12 January 2022 to the Federal Court for leave to appeal against the Court of Appeal's decision on 14 December 2021 in allowing the IRB's Application to intervene in PNCSB's Judicial Review Application against the Minister of Finance ("PNCSB's Appeal to the Federal Court").

At the case management on 11 February 2022, the Federal Court directed parties to attend the next case management on 18 February 2022 to fix the hearing date of PNCSB's Appeal to the Federal Court.

At the case management on 18 February 2022, the Federal Court directed parties to attend the next case management on 9 May 2022 and fixed the hearing date of PNCSB's Appeal to the Federal Court on 24 May 2022.

At the hearing of PNCSB's Appeal to the Federal Court on 24 May 2022, the Federal Court dismissed PNCSB's motion for leave with cost of RM15,000.00 to be given to IRB subject to allocator fee.

**PNCSB's Tax Appeal to the Special Commissioners of Income Tax ("SCIT") ("PNCSB's Tax Appeal to SCIT") (Appeal No. MOF.PKCP.700.7/1/1303-1304(2021))**

At the first mention on 28 September 2021 before the Special Commissioners of Income Tax ("SCIT") in respect of the tax appeal by PNCSB against the notices of assessment known as Form G issued by the IRB to PNCSB for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively ("PNCSB's Tax Appeal to SCIT"), the SCIT directed parties to file the cause papers by 28 December 2021 and fixed the next case management on 28 December 2021.

At the case management on 28 December 2021, the SCIT fixed the next case management on 2 March 2022 to update the SCIT on the filing of the cause papers.

At the case management on 2 March 2022, the SCIT fixed the next case management on 17 May 2022 to update the SCIT on the filing of the cause papers.

At the case management on 17 May 2022, the SCIT fixed the next case management on 19 July 2022 to update the SCIT on the filing of the cause papers.

At the case management on 19 July 2022, the SCIT fixed the next case management on 20 September 2022 for parties to update the SCIT on the filing of the cause papers.

At the case management on 20 September 2022, the SCIT fixed the next case management on 20 December 2022 for parties to update the filing of the cause papers.

The case management which was originally fixed on 20 December 2022 was brought forward to 15 December 2022 by the SCIT. The SCIT has fixed the next case management on 17 January 2023 for parties to update the filing of the cause papers.

At the case management on 17 January 2023 on PNCSB's Tax Appeal to SCIT, the SCIT fixed the trial dates on 28 and 29 February 2024.

**(V) Puncak Niaga Management Services Sdn Bhd ("PNMSSB")**

**Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor ("RMCD") in accordance with the Goods and Services Tax Act 2014 to PNMSSB**

**(a) Bill of Demand dated 21 October 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB**

On 23 October 2019, a wholly-owned subsidiary, PNMSSB received a Bill of Demand from RMCD dated 21 October 2019, demanding for Goods and Services Tax in the sum of RM850,645.23 for the period between 1 January 2018 and 31 August 2018 ("Demand"). PNMSSB sought advice from its tax agent and solicitors on the next course of action. Based on the preliminary advice received, PNMSSB will contest and appeal against the Demand.

On 31 October 2019, PNMSSB filed to commence a judicial review application ("Application") against RMCD to set aside the Bill of Demand dated 21 October 2019.

At the case management on 5 November 2019, the Court fixed the hearing of the Application on 8 January 2020 and granted an interim order to stay the enforcement and effect of Bill of Demand pending the disposal of the Application.

At the hearing on 8 January 2020, the Court granted leave for the Application and an order to stay the enforcement and effect of the Bill of Demand pending the disposal of the substantive hearing of the Application.

At the case management on 5 February 2020, the Registrar directed parties to attend another case management on 17 April 2020 to obtain the Court's directions on the filling of cause papers in respect of the Application.

At the case management on 17 June 2020, the Court maintained the interim stay previously granted by the Court of all further proceedings including the enforcement and effect of the Bill of Demand dated 21 October 2019 as the Application is currently put on hold pending the disposal of the other Application against RMCD for the two (2) Bills of Demand dated 18 December 2019.

At the case management on 7 October 2020, the Court fixed the next case management of the Application on 18 January 2021.

At the case management on 18 January 2021, the Court fixed the case management of the Application on 8 March 2021.

At the case management on 8 March 2021, the Court fixed the case management of the Application on 3 June 2021.

The Court vacated the case management of the Application fixed on 3 June 2021 and fixed the next case management of the Application on 16 June 2021.

At the case management on 16 June 2021, the Court fixed the hearing of the Application against RMCD on 27 September 2021 and granted the interim stay order to stay the enforcement and effect of the Bill of Demand dated 21 October 2019 until 27 September 2021.

The Court subsequently vacated the hearing of the Application originally fixed on 27 September 2021 and fixed a case management on 23 September 2021 for parties to fix a new hearing date for the Application against RMCD.

At the case management on 23 September 2021, the Court fixed the hearing of the Application against RMCD on 16 December 2021 and granted the interim stay order to stay the enforcement and effect of the Bill of Demand dated 21 October 2019 until 16 December 2021.

The hearing of the Application against RMCD fixed on 16 December 2021 was vacated as the presiding judge for the matter has been transferred out of the Shah Alam High Court to the Kuala Lumpur High Court.

In the meantime, at the hearing of PNMSSB's application to extend the interim stay order to stay the enforcement and effect of the Bill of Demand dated 21 October 2019 in light of the substantive hearing of the Application against RMCD being vacated at the Shah Alam High Court on 16 December 2021 before a different judge, the Shah Alam High Court granted PNMSSB an interim stay of all further proceedings until the disposal of the Application against RMCD.

The Shah Alam High Court has fixed the hearing of PNMSSB's Application against RMCD on 23 May 2022 before a new judge. The Shah Alam High Court had previously granted PNMSSB an interim stay of all further proceedings until the disposal of the hearing of the Application against RMCD.

At the hearing of PNMSSB's Application against RMCD on 23 May 2022, the Shah Alam High Court fixed the matter for decision on 26 August 2022. In the meantime, the interim stay against the enforcement of the Bill of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

The decision fixed for 26 August 2022 was postponed to 19 October 2022 and subsequently postponed again to 22 November 2022 by the Shah Alam High Court. The decision fixed on 22 November 2022 was subsequently converted to a clarification before the Shah Alam High Court Judge on 24 November 2022. The Shah Alam High Court has fixed the decision of PNMSSB's Application against RMCD on 29 December 2022. In the meantime, the interim stay against the enforcement of the Bill of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

On 29 December 2022, the Shah Alam High Court had decided in favour of PNMSSB by allowing PNMSSB's Application against RMCD with no order as to costs.

Following the Shah Alam High Court's decision made on 29 December 2022 in favour of PNMSSB by allowing PNMSSB's Application against RMCD, the Attorney General's Chambers had filed an appeal to the Court of Appeal on 26 January 2023 ("Appeal") and the sealed copy of the Appeal was received by PNMSSB's solicitors, on behalf of PNMSSB on 30 January 2023.

**Civil Appeal No: B-01(A)-44-01/2023**

The Attorney General's Chambers served a copy of the Record of Appeal which was received by PNMSSB's solicitors, on behalf of PNMSSB, on 24 March 2023. The Court of Appeal fixed the case management for the Appeal on 26 April 2023.

At the case management for the Appeal on 26 April 2023, the Court of Appeal fixed the next case management on 10 July 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 10 July 2023, the Court of Appeal fixed the next case management on 11 September 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 11 September 2023, the Court of Appeal fixed the next case management on 6 November 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 6 November 2023, the Court of Appeal fixed the next case management on 17 January 2024 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 17 January 2024, the Court of Appeal fixed the Hearing for the Appeal on 5 July 2024.

**(b) Bills of Demand dated 18 December 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB**

PNMSSB had on 18 December 2019 received two (2) Bills of Demand both dated 18 December 2019 from RMCD, demanding for Goods and Services Tax in the aggregate sum of RM5,268,924.68 for the period between 1 February 2016 to 31 December 2017.

On 30 December 2019, PNMSSB filed a judicial review application ("Application") against RMCD to set aside the Bill of Demand.

At the case management on 7 January 2020, the Registrar fixed a further case management before the learned Judge on 14 January 2020 for parties to record an interim order to stay the enforcement and effect of the Bills of Demand pending the hearing of the Application.

At the case management on 18 January 2021, the Court fixed the case management of the Application on 8 March 2021.

On 8 March 2021, the Court fixed the next case management of the Application on 3 June 2021.

On 15 April 2021, the Court vacated the case management of the Application fixed on 3 June 2021 and fixed the next case management of the Application on 16 June 2021.

At the case management on 16 June 2021, the Court fixed the hearing of the Application against RMCD on 27 September 2021 and granted the interim stay order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 until 27 September 2021.

The Court subsequently vacated the hearing of the Application originally fixed on 27 September 2021 and fixed a case management on 23 September 2021 for parties to fix a new hearing date for the Application against RMCD.

At the case management on 23 September 2021, the Court fixed the hearing of the Application against RMCD on 16 December 2021 and granted the interim stay order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 until 16 December 2021.

The hearing of the Application against RMCD fixed on 16 December 2021 was vacated as the presiding judge for the matter has been transferred out of the Shah Alam High Court to the Kuala Lumpur High Court.

In the meantime, at the hearing of PNMSSB's application to extend the interim stay order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 in light of the substantive hearing of the Application against RMCD being vacated at the Shah Alam High Court on 16 December 2021 before a different judge, the Shah Alam High Court granted PNMSSB an interim stay of all further proceedings until the disposal of the Application against RMCD.

The Shah Alam High Court has fixed the hearing of PNMSSB's Application against RMCD on 23 May 2022 before a new judge. The Shah Alam High Court had previously granted an interim stay of all further proceedings until the disposal of the hearing of the Application against RMCD.

At the hearing of PNMSSB's Application against RMCD on 23 May 2022, the Shah Alam High Court fixed the matter for decision on 26 August 2022. In the meantime, the interim stay against the enforcement of the Bills of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

The decision fixed for 26 August 2022 was postponed to 19 October 2022 and subsequently postponed again to 22 November 2022 by the Shah Alam High Court. The decision fixed on 22 November 2022 was subsequently converted to a clarification before the Shah Alam High Court Judge on 24 November 2022. The Shah Alam High Court has fixed the decision of PNMSSB's Application against RMCD on 29 December 2022. In the meantime, the interim stay against the enforcement of the Bills of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

On 29 December 2022, the Shah Alam High Court had decided in favour of PNMSSB by allowing PNMSSB's Application against RMCD with no order as to costs.

Following the Shah Alam High Court's decision made on 29 December 2022 in favour of PNMSSB by allowing PNMSSB's Application against RMCD, the Attorney General's Chambers had filed an appeal to the Court of Appeal on 26 January 2023 ("Appeal") and the sealed copy of the Appeal was received by PNMSSB's solicitors, on behalf of PNMSSB on 30 January 2023.

#### **Civil Appeal No: B-01(A)-45-01/2023**

The Attorney General's Chambers served a copy of the Record of Appeal which was received by PNMSSB's solicitors, on behalf of PNMSSB, on 24 March 2023. The Court of Appeal fixed the case management for the Appeal on 26 April 2023.

At the case management for the Appeal on 26 April 2023, the Court of Appeal fixed the next case management on 10 July 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 10 July 2023, the Court of Appeal fixed the next case management on 11 September 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 11 September 2023, the Court of Appeal fixed the next case management on 6 November 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 6 November 2023, the Court of Appeal fixed the next case management on 17 January 2024 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 17 January 2024, the Court of Appeal fixed the Hearing for the Appeal on 5 July 2024.



**(c) Two (2) Notices of Assessment issued by the Inland Revenue Board ("IRB") in accordance with the Income Tax Act 1967 ("ITA") to PNMSSB**

On 3 December 2020, a wholly-owned subsidiary of Puncak, PNMSSB filed a judicial review application at the Kuala Lumpur High Court ("Judicial Review Application") to challenge the notices of assessment known as Form J which PNMSSB received from the IRB for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (hereinafter referred to as "Notices"). These Notices were issued by the IRB under Section 44A(9) of the ITA consequent to the IRB's decision to disallow the losses claimed by Puncak under the group relief scheme. The losses were surrendered by one of Puncak's wholly-owned subsidiary, Puncak Niaga Construction Sdn Bhd ("PNCSB"), which is a related company of PNMSSB, to PNMSSB.

Based on the legal advice obtained from its tax solicitors, PNMSSB is of the view that it has good basis in law to contend that the Notices were erroneously and arbitrarily raised by the IRB. Accordingly, PNMSSB had commenced the legal avenues available to challenge the Notices including the Judicial Review Application which commenced on 3 December 2020 against the Minister of Finance.

On 10 December 2020, the Kuala Lumpur High Court fixed PNMSSB'S Judicial Review Application for case management on 16 December 2020.

At the case management on 16 December 2020, the Kuala Lumpur High Court granted PNMSSB an interim stay until the next mention date on 13 January 2021.

At the case management on 13 January 2021, the Kuala Lumpur High Court granted an interim stay of the enforcement of the Form J on PNMSSB until the next case management on 18 January 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management on 18 January 2021, the Kuala Lumpur High Court granted an interim stay of enforcement of the Form J on PNMSSB until the hearing of the IRB's application to intervene on 6 May 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the hearing on PNMSSB's Judicial Review Application on 6 May 2021, the Kuala Lumpur High Court granted an interim stay of the enforcement of the Form J on PNMSSB until the case management fixed on 19 May 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management of PNMSSB's Judicial Review Application on 19 May 2021, the Kuala Lumpur High Court granted an interim stay of enforcement of the Form J on PNMSSB until the case management fixed on 10 June 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

The case management on PNMSSB's Judicial Review Application which was initially fixed on 10 June 2021 was vacated and the matter was fixed for case management on 6 September 2021. The Kuala Lumpur High Court granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management of PNMSSB's Judicial Review Application on 6 September 2021, the Kuala Lumpur High Court fixed the next case management on 18 November 2021. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management of PNMSSB's Judicial Review Application on 18 November 2021, the Kuala Lumpur High Court fixed the next case management on 21 December 2021. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management of PNMSSB's Judicial Review Application on 21 December 2021, the Kuala Lumpur High Court fixed the next case management on 17 March 2022. On 17 March 2022, the KLHC fixed the next case management on 1 June 2022. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management on 1 June 2022, the Kuala Lumpur High Court fixed the hearing of IRB's application to intervene in PNMSSB's Judicial Review Application on 5 September 2022. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

The hearing of IRB's application to intervene in PNMSSB's Judicial Review Application at the Kuala Lumpur High Court which was fixed for 5 September 2022 was converted into a case management and the Kuala Lumpur High Court has fixed the hearing of the IRB's application to intervene in PNMSSB's Judicial Review Application on 7 December 2022. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the hearing of IRB's application to intervene in PNMSSB's Judicial Review Application at the Kuala Lumpur High Court on 7 December 2022, the Kuala Lumpur High Court fixed the matter for decision on 16 February 2023. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

On 16 February 2023, the Kuala Lumpur High Court allowed the IRB's application to intervene in PNMSSB's Judicial Review Application with an order of cost in the cause. The Kuala Lumpur High Court also directed parties to attend a case management fixed on 28 March 2023 to obtain further instructions. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management on 28 March 2023, the Kuala Lumpur High Court fixed the IRB's application to intervene in PNMSSB's Judicial Review Application for leave hearing on 18 September 2023. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Forms J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management on 18 September 2023, the Kuala Lumpur High Court fixed the IRB's application to intervene in PNMSSB's Judicial Review Application for leave hearing on 8 November 2023. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Forms J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

On 8 November 2023, the Kuala Lumpur High Court disallowed the leave application in relation to PNMSSB's Judicial Review Application and directed PNMSSB to file a formal stay application to the Kuala Lumpur High Court. The Kuala Lumpur High Court granted an interim stay of the enforcement of Forms J on PNMSSB until the filing and disposal of the stay application before the Kuala Lumpur High Court. In the meantime, no taxes are payable by PNMSSB since the interim stay has been granted by the Kuala Lumpur High Court.

PNMSSB filed a stay application dated 7 November 2023 to the High Court Kuala Lumpur against the Kuala Lumpur High Court's decision dated 8 November 2023 and the Kuala Lumpur High Court fixed a case management on 21 December 2023.

PNMSSB filed a Notice of Appeal dated 24 November 2023 to the Court of Appeal against the Kuala Lumpur High Court's decision of not allowing the leave application for Judicial Review on 8 November 2023.

At the case management on 21 December 2023 for the stay application filed by PNMSSB, the Kuala Lumpur High Court directed PNMSSB to attend the next case management fixed on 22 February 2024. The Kuala Lumpur High Court granted an interim stay of the enforcement of Forms J on PNMSSB until the filing and disposal of the stay application before the Kuala Lumpur High Court. In the meantime, no taxes are payable by PNMSSB since the interim stay has been granted by the Kuala Lumpur High Court.

On 22 February 2024, the Kuala Lumpur High Court directed PNMSSB to attend the hearing for the stay application fixed on 30 May 2024. The Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Forms J on PNMSSB until the filing and disposal of the stay application before the Kuala Lumpur High Court. In the meantime, no taxes are payable by PNMSSB since the interim stay has been granted by the Kuala Lumpur High Court.

**Kuala Lumpur High Court Suit No. : WA-24NCVC-1885-10/2021 Director General of Inland Revenue ("Plaintiff") vs PNMSSB ("Defendant")**

The Director General of Inland Revenue ("DGIR") had on 6 October 2021 applied to set aside the interim stay order that was granted to PNMSSB on 10 June 2021 by the Kuala Lumpur High Court ("Interim Stay Order dated 10 June 2021") until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application. The matter is fixed for case management at the Kuala Lumpur High Court on 18 October 2021. PNMSSB has instructed its solicitors to represent PNMSSB in the matter and to oppose the DGIR's application to set aside the Interim Stay Order dated 10 June 2021.

At the case management at the Kuala Lumpur High Court on 18 October 2021, the Court fixed the next case management of the DGIR's Application to Set Aside the Interim Stay Order dated 10 June 2021 on 26 November 2021 for parties to update the Court on the status of the filing of affidavits.

At the case management at the Kuala Lumpur High Court on 26 November 2021, the Court fixed the hearing of the DGIR's Application to Set Aside the Interim Stay Order dated 10 June 2021 on 18 March 2022.

The hearing of the DGIR's Application to Set Aside the Interim Stay Order dated 10 June 2021 on 18 March 2022 was converted into a case management and the Kuala Lumpur High Court allowed the Plaintiff's withdrawal of the case with cost of RM1,000 to be given to PNMSSB subject to allocator fee.

**PNMSSB's Tax Appeal to the Special Commissioners of Income Tax ("SCIT") ("PNMSSB's Tax Appeal to SCIT") (Appeal No. MOF.PKCP.700.7/1/1301-1302(2021))**

At the first mention on 28 September 2021 before the Special Commissioners of Income Tax ("SCIT") in respect of the tax appeal by PNMSSB against the notices of assessment known as Form J issued by the IRB to PNMSSB for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively ("PNMSSB's Tax Appeal to SCIT"), the SCIT directed parties to file the cause papers by 28 December 2021 and fixed the next case management on 28 December 2021.

At the case management on 28 December 2021, the SCIT fixed the next case management on 2 March 2022 to update the SCIT on the filing of the cause papers.

At the case management on 2 March 2022, the SCIT fixed the next case management on 17 May 2022 to update the SCIT on the filing of the cause papers.

At the case management on 17 May 2022, the SCIT fixed the next case management on 19 July 2022 to update the SCIT on the filing of the cause papers.

At the case management on 19 July 2022, the SCIT fixed the next case management on 20 September 2022 for parties to update the SCIT on the filing of the cause papers.

At the case management on 20 September 2022, the SCIT fixed the next case management on 20 December 2022 for parties to update the filing of the cause papers.

The case management which was originally fixed on 20 December 2022 was brought forward to 15 December 2022 by the SCIT. The SCIT has fixed the next case management on 17 January 2023 for parties to update the filing of the cause papers.

At the case management on 17 January 2023 on PNMSSB's Tax Appeal to SCIT, the SCIT fixed the trial dates on 28 and 29 February 2024.

**(d) Shah Alam High Court Suit No: BA-21NCVC-80-07/2021 Government of Malaysia vs PNMSSB**

On 6 August 2021, Puncak announced that the IRB, on behalf of the Government of Malaysia, had commenced a civil action against Puncak Niaga Management Services Sdn Bhd ("PNMSSB") to recover the purported unpaid taxes under the Notices of Assessment known as Form J for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively ("Notices") despite the interim stay on the enforcement of the Form J granted by the Kuala Lumpur High Court on 10 June 2021 as disclosed in Note B9(V)(c) above. The IRB had served a copy of the Writ of Summons dated 29 July 2021 on PNMSSB on 5 August 2021.

As the Kuala Lumpur High Court had granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB's Judicial Review Application on 10 June 2021, the IRB has no basis to initiate the civil recovery proceedings on PNMSSB. As such, PNMSSB's solicitor had written to IRB on 6 August 2021 to demand the IRB to withdraw its Writ of Summons on PNMSSB within 7 days.

On 16 August 2021, Puncak announced that the IRB, on behalf of the Government of Malaysia, did not respond to PNMSSB's solicitor's letter dated 6 August 2021 to withdraw its Writ of Summons dated 29 July 2021 served on PNMSSB on 5 August 2021. Upon PNMSSB's instruction, its solicitor filed the Memorandum of Appearance in relation to the suit on behalf of PNMSSB at the Shah Alam High Court on 13 August 2021 and the same had been served on IRB.

At the first case management of the suit at the Shah Alam High Court on 30 August 2021, the IRB informed the Court that they do not have any objections towards PNMSSB's application to strike out the suit ("PNMSSB's Application to Strike Out") and PNMSSB's application for extension of time to file its defence ("PNMSSB's Application for Extension of Time to File Defence"). The Shah Alam High Court fixed the next case management on 4 October 2021.

At the case management of the suit at the Shah Alam High Court on 4 October 2021, the Court granted PNMSSB's Application for Extension of Time to File Defence until the disposal of PNMSSB's Application to Strike Out the suit. The Shah Alam High Court fixed the next case management on 1 November 2021.

At the case management of the suit at the Shah Alam High Court on 1 November 2021, the Court fixed the hearing of PNMSSB's Application to Strike Out the suit on 7 March 2022 and fixed the case management of the suit by IRB on 8 March 2022.

At the hearing of PNMSSB's Application to Strike Out the suit on 7 March 2022, the Shah Alam High Court fixed the matter for decision on 18 March 2022 and vacated the case management of the suit by IRB fixed on 8 March 2022.

On 18 March 2022, the Shah Alam High Court delivered its decision on PNMSSB's Application to Strike Out the suit wherein the Court granted a stay of proceedings in respect of the enforcement of the civil suit commenced by IRB against PNMSSB until the full disposal of the leave hearing in respect of PNMSSB's Judicial Review Application with no order as to costs.

On 15 November 2023, the Shah Alam High Court fixed a case management on 21 December 2023 for PNMSSB to update the Shah Alam High Court on the status of the stay application and the appeal by PNMSSB before the Court of Appeal.

At the case management held on 21 December 2023, the Shah Alam High Court fixed the next case management on 26 February 2024 for PNMSSB to update the status of the stay application before the Kuala Lumpur High Court and the appeal before the Court of Appeal.

**B10 Dividend**

No dividend has been proposed or declared for the current financial year-to-date (2022: RM Nil).

**B11 Earnings/(Loss) per share**

Basic earnings/(loss) per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding, excluding treasury shares held by the Company.

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current Year Quarter 3 months ended 31.12.2023	Preceding Year Corresponding Quarter 31.12.2022	Current Year To date 12 months ended 31.12.2023	Preceding Year Corresponding Year 31.12.2022
Profit/(Loss) net of tax attributable to owners of the Company (RM'000)	53,070	(7,072)	8,845	(15,900)
Weighted average number of ordinary shares in issue (unit '000)	447,248	447,248	447,248	447,248
Basic earnings/(loss) per share (sen)	11.87	(1.58)	1.98	(3.56)

**Diluted earnings/(loss) per ordinary share**

Diluted earnings/(loss) per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding after adjustment for the effect of all dilutive potential ordinary shares, excluding treasury shares held by the Company.

The diluted earnings/(loss) per share has not been disclosed as it does not have dilutive potential ordinary shares.

**By Order of the Board**

**WAN RAZMAH BINTI WAN ABD RAHMAN (MAICSA 7021383/SSM PC No:202008002111)**  
**Company Secretary**

26 February 2024