

**Puncak Niaga Holdings Berhad [199701000591 (416087-U)]**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**  
**Condensed Consolidated Statement of Profit or Loss**

|  | <i>Note</i>   | INDIVIDUAL QUARTER |                | CUMULATIVE QUARTER |                 |
|--|---------------|--------------------|----------------|--------------------|-----------------|
|  |               | Current Year       | Preceding Year | Current Year       | Preceding Year  |
|  |               | Quarter            | Corresponding  | To date            | Corresponding   |
|  |               | 3 months ended     | Quarter        | 6 months ended     | Period          |
|  |               | 30.06.2024         | 30.06.2023     | 30.06.2024         | 30.06.2023      |
|  |               | RM'000             | RM'000         | RM'000             | RM'000          |
|  |               | Unaudited          | Unaudited      | Unaudited          | Unaudited       |
| Revenue  | <i>A14(a)</i> | 50,031             | 67,291         | 97,637             | 126,539         |
| Other income   |               | 4,543              | 5,336          | 32,427             | 9,946           |
| Operating costs  |               | (39,973)           | (61,074)       | (101,840)          | (109,795)       |
| Reversal for foreseeable losses                                    |               | 7                  | 4,153          | 23                 | 4,807           |
| Depreciation and amortisation expenses                             |               | (6,213)            | (4,664)        | (12,430)           | (9,768)         |
| Profit from operations   |               | 8,395              | 11,042         | 15,817             | 21,729          |
| Finance costs  |               | (17,683)           | (18,068)       | (35,320)           | (35,806)        |
| Share of results of equity accounted entities                      |               | (17)               | (17)           | (25)               | (25)            |
| Loss before tax  | <i>A9</i>     | (9,305)            | (7,043)        | (19,528)           | (14,102)        |
| Tax credit/(expense)   | <i>B5</i>     | 777                | (1,507)        | (4,077)            | (2,155)         |
| <b>Loss after tax</b>  |               | <b>(8,528)</b>     | <b>(8,550)</b> | <b>(23,605)</b>    | <b>(16,257)</b> |
| <b>Attributable to:</b>  |               |                    |                |                    |                 |
| Owners of the Company  |               | (7,862)            | (7,387)        | (22,591)           | (14,137)        |
| Non-controlling interests  |               | (666)              | (1,163)        | (1,014)            | (2,120)         |
| Loss after tax   |               | (8,528)            | (8,550)        | (23,605)           | (16,257)        |
|  |               | sen                | sen            | sen                | sen             |
| <b>Basic loss per share attributable to owners of the Company:</b> | <i>B11</i>    | <b>(1.76)</b>      | <b>(1.65)</b>  | <b>(5.05)</b>      | <b>(3.16)</b>   |

(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 2023 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad [199701000591 (416087-U)]**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**  
**Condensed Consolidated Statement of Other Comprehensive Income**

|   | INDIVIDUAL QUARTER           |  | CUMULATIVE QUARTER           |   |
|---|------------------------------|--|------------------------------|---|
|   | Current Year<br>Quarter      | Preceding Year<br>Corresponding<br>Quarter | Current Year<br>To date      | Preceding Year<br>Corresponding<br>Period |
|   | 3 months ended<br>30.06.2024 | 30.06.2023                                 | 6 months ended<br>30.06.2024 | 30.06.2023                                |
|   | RM'000                       | RM'000                                     | RM'000                       | RM'000                                    |
|   | Unaudited                    | Unaudited                                  | Unaudited                    | Unaudited                                 |
| Loss after tax  | (8,528)                      | (8,550)                                    | (23,605)                     | (16,257)                                  |
| <b>Other comprehensive income/(expense):</b>                              |                              |  |                              |   |
| <b>Item that is or may be reclassified subsequently to profit or loss</b> |                              |  |                              |   |
| Foreign currency translation  | 9                            | (40)                                       | (76)                         | (43)                                      |
| <b>Total comprehensive expense for the period</b>                         | <b>(8,519)</b>               | <b>(8,590)</b>                             | <b>(23,681)</b>              | <b>(16,300)</b>                           |
| <b>Total comprehensive expense attributable to:</b>                       |                              |  |                              |   |
| Owners of the Company   | (7,853)                      | (7,427)                                    | (22,667)                     | (14,180)                                  |
| Non-controlling interests   | (666)                        | (1,163)                                    | (1,014)                      | (2,120)                                   |
|   | <b>(8,519)</b>               | <b>(8,590)</b>                             | <b>(23,681)</b>              | <b>(16,300)</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 2023 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad [199701000591 (416087-U)]**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**  
**Condensed Consolidated Statement of Financial Position**

|  | Note | As at<br>30.06.2024<br>RM'000<br>Unaudited | As at<br>31.12.2023<br>RM'000<br>Audited |
|--|------|--|--|
| <b>ASSETS</b>  |      |  |  |
| <b>Non-current assets</b>  |      |  |  |
| Property, plant and equipment  | A10  | 466,302                                    | 471,678                                  |
| Investment properties  | A10  | 546,171                                    | 554,127                                  |
| Bearer biological assets   |      | 306,983                                    | 310,448                                  |
| Concession asset   |      | 3,967                                      | 4,167                                    |
| Deferred tax assets  |      | 39,896                                     | 38,017                                   |
| Trade and other receivables  |      | 752,000                                    | 784,166                                  |
|  |      | <hr/> 2,115,319                            | <hr/> 2,162,603                          |
| <b>Current assets</b>  |      |  |  |
| Inventories  |      | 2,914                                      | 3,317                                    |
| Fresh fruits bunches   |      | 5,340                                      | 5,062                                    |
| Contract assets  |      | 26,183                                     | 21,791                                   |
| Trade and other receivables  |      | 236,814                                    | 204,183                                  |
| Short-term investments   |      | 71,778                                     | 98,857                                   |
| Tax recoverable  |      | 461  | 721                                      |
| Cash and cash equivalents  |      | 198,609                                    | 143,140                                  |
|  |      | <hr/> 542,099                              | <hr/> 477,071                            |
| Assets held for sale   |      | 306,066                                    | 306,066                                  |
|  |      | <hr/> 848,165                              | <hr/> 783,137                            |
| <b>TOTAL ASSETS</b>  |      | <hr/> <b>2,963,484</b>                     | <hr/> <b>2,945,740</b>                   |
| <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   |      | 734,688                                    | 757,355                                  |
| <b>Shareholders' equity</b>  |      | <hr/> 1,283,410                            | <hr/> 1,306,077                          |
| <b>Non-controlling interests</b>                                       |      | <hr/> 18,448                               | <hr/> 19,462                             |
| <b>Total equity</b>  |      | <hr/> <b>1,301,858</b>                     | <hr/> <b>1,325,539</b>                   |
| <b>Non-current liabilities</b>   |      |  |  |
| Loans and borrowings   | B7   | 900,022                                    | 900,844                                  |
| Concession liability   |      | 89,015                                     | 91,368                                   |
| Deferred tax liabilities   |      | 144,416                                    | 156,330                                  |
|  |      | <hr/> 1,133,453                            | <hr/> 1,148,542                          |
| <b>Current liabilities</b>   |      |  |  |
| Loans and borrowings   | B7   | 250,683                                    | 251,351                                  |
| Trade and other payables   |      | 244,640                                    | 189,818                                  |
| Contract liabilities   |      | 986  | 171                                      |
| Provision for foreseeable loss   |      | 29,075                                     | 29,099                                   |
| Tax payable  |      | 2,789                                      | 1,220                                    |
|  |      | <hr/> 528,173                              | <hr/> 471,659                            |
| <b>Total liabilities</b>   |      | <hr/> <b>1,661,626</b>                     | <hr/> <b>1,620,201</b>                   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                    |      | <hr/> <b>2,963,484</b>                     | <hr/> <b>2,945,740</b>                   |
| <b>Net assets per share attributable to owners of the Company (RM)</b> |      | <hr/> <b>2.87</b>                          | <hr/> <b>2.92</b>                        |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad [199701000591 (416087-U)]**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**  
**Condensed Consolidated Statement of Changes in Equity**

|   | ← Attributable to Owners of the Company → |                    |  |                         |                   |                      |                  |                                  |                  |
|---|---|--------------------|--|-------------------------|-------------------|----------------------|------------------|----------------------------------|------------------|
|   | ← Non-distributable →                     |                    |  |                         |                   | Distributable        |                  |                                  |                  |
|   | Share<br>Capital                          | Treasury<br>Shares | Foreign<br>Currency<br>Translation<br>Reserves | Revaluation<br>Reserves | Other<br>Reserves | Retained<br>Earnings | Total            | Non-<br>controlling<br>Interests | Total<br>Equity  |
| RM'000                                    | RM'000                                    | RM'000             | RM'000   | RM'000                  | RM'000            | RM'000               | RM'000           | RM'000                           |                  |
| <b>6 months period ended 30 June 2024</b> |   |                    |  |                         |                   |                      |                  |                                  |                  |
| At 1 January 2024                         | 554,663                                   | (5,941)            | 931  | 117,014                 | (20,014)          | 659,424              | 1,306,077        | 19,462                           | 1,325,539        |
| Foreign currency translation              | -   | -                  | (76)   | -                       | -                 | -                    | (76)             | -                                | (76)             |
| Total other comprehensive expense         | -   | -                  | (76)   | -                       | -                 | -                    | (76)             | -                                | (76)             |
| Loss for the period                       | -   | -                  | -  | -                       | -                 | (22,591)             | (22,591)         | (1,014)                          | (23,605)         |
| Total comprehensive expense               | -   | -                  | (76)   | -                       | -                 | (22,591)             | (22,667)         | (1,014)                          | (23,681)         |
| <b>At 30 June 2024</b>                    | <b>554,663</b>                            | <b>(5,941)</b>     | <b>855</b>                                     | <b>117,014</b>          | <b>(20,014)</b>   | <b>636,833</b>       | <b>1,283,410</b> | <b>18,448</b>                    | <b>1,301,858</b> |
| <b>6 months period ended 30 June 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              | -   | -                  | (43)   | -                       | -                 | -                    | (43)             | -                                | (43)             |
| Total other comprehensive expense         | -   | -                  | (43)   | -                       | -                 | -                    | (43)             | -                                | (43)             |
| Loss for the period                       | -   | -                  | -  | -                       | -                 | (14,137)             | (14,137)         | (2,120)                          | (16,257)         |
| Total comprehensive expense               | -   | -                  | (43)   | -                       | -                 | (14,137)             | (14,180)         | (2,120)                          | (16,300)         |
| <b>At 30 June 2023</b>                    | <b>554,663</b>                            | <b>(5,941)</b>     | <b>901</b>                                     | <b>112,390</b>          | <b>(20,014)</b>   | <b>636,442</b>       | <b>1,278,441</b> | <b>22,484</b>                    | <b>1,300,925</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 2023 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad [199701000591 (416087-U)]**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**  
**Condensed Consolidated Statement of Cash Flows**

|   | <b>6 months<br/>ended<br/>30.06.2024</b> | <b>6 months<br/>ended<br/>30.06.2023</b> |
|---|--|--|
|   | RM'000                                   | RM'000                                   |
|   | Unaudited                                | Unaudited                                |
| <b>Cash flow from operating activities</b>              |  |  |
| Receipts from customers                                 | 103,770                                  | 108,208                                  |
| Other income  | 1,099                                    | 1,202                                    |
| Payments for operating expenses                         | (96,553)                                 | (76,372)                                 |
| Payments to contractors                                 | (9,841)                                  | (29,900)                                 |
| Cash (used in)/generated from operations                | <u>(1,525)</u>                           | <u>3,138</u>                             |
| Real property gains tax paid                            | (9,182)                                  | -  |
| Income taxes paid                                       | (6,860)                                  | (3,057)                                  |
| Interest income   | 3,047                                    | 3,006                                    |
| Net cash (used in)/from operating activities            | <u>(14,520)</u>                          | <u>3,087</u>                             |
| <b>Cash flow from investing activities</b>              |  |  |
| Acquisition of property, plant and equipment            | (1,037)                                  | (3,805)                                  |
| Additions of bearer biological assets                   | (1,327)                                  | (2,661)                                  |
| Net advance to associate                                | -  | (2)                                      |
| Net proceeds from/(Additions of) short-term investments | 27,449                                   | (213)                                    |
| Proceeds from disposal of property, plant and equipment | 2  | 288                                      |
| Proceeds from disposal of investment properties         | 24,309                                   | -  |
| Received of earnest deposit                             | 58,310                                   | -  |
| Net cash from/(used in) investing activities            | <u>107,706</u>                           | <u>(6,393)</u>                           |
| <b>Cash flow from financing activities</b>              |  |  |
| (Increase)/Decrease in pledged deposits                 | (2,860)                                  | 2,029                                    |
| Interest paid   | (34,671)                                 | (33,995)                                 |
| Proceeds from loans and borrowings                      | -  | 9,400                                    |
| Repayment of lease liabilities                          | (1,362)                                  | (2,021)                                  |
| Repayment of loans and borrowings                       | (1,692)                                  | (1,200)                                  |
| Net cash used in financing activities                   | <u>(40,585)</u>                          | <u>(25,787)</u>                          |

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**  
**Condensed Consolidated Statement of Cash Flows (cont'd)**

|   | <b>6 months<br/>ended<br/>30.06.2024</b> | <b>6 months<br/>ended<br/>30.06.2023</b> |
|---|--|--|
|   | RM'000                                   | RM'000                                   |
|   | Unaudited                                | Unaudited                                |
| Net increase/(decrease) in cash and cash equivalents              | 52,601                                   | (29,093)                                 |
| Effects of exchange rate on cash and cash equivalents             | 2  | 54                                       |
| <b>Cash and cash equivalents at beginning of financial period</b> | 103,098                                  | 149,872                                  |
| <b>Cash and cash equivalents at end of financial period</b>       | <u>155,701</u>                           | <u>120,833</u>                           |
| <b>Cash and cash equivalents comprise:</b>                        |  |  |
| Deposits with licensed banks                                      | 45,990                                   | 97,114                                   |
| Cash and bank balances  | 152,619                                  | 66,527                                   |
|   | <u>198,609</u>                           | <u>163,641</u>                           |
| Less : Cash and bank balances pledged                             | (42,893)                                 | (42,767)                                 |
| Bank overdraft  | (15)                                     | (41)                                     |
|   | <u>155,701</u>                           | <u>120,833</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 2023 and the accompanying explanatory notes attached to the interim financial statements.)**

**Puncak Niaga Holdings Berhad [199701000591 (416087-U)]**  
**Unaudited Second Quarterly Financial Statements Ended 30 June 2024**

**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 2023. 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 2023.

**A2 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 2023, 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<br>annual periods<br>beginning on or<br>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<br>and MFRS 7 | Supplier Finance Arrangements   | 1 January 2024  |

**(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 |
|------------------------------------|--|--|
| Amendments to MFRS 121             | The Effects of Changes in Foreign Exchange Rates -<br><i>Lack of Exchangeability</i>   | 1 January 2025                                     |
| MFRS 18                            | Presentation and Disclosure in Financial Statements  | 1 January 2027                                     |
| MFRS 19                            | Subsidiaries without Public Accountability: Disclosures  | 1 January 2027                                     |
| Amendments to MFRS 10 and MFRS 128 | Consolidated Financial Statements,<br>Investments in Associates and Joint Ventures -<br><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 2023 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**

There were no 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 (31.12.2023: 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          |                |
|---|----------------|------------|----------------|-----------------|--------------|--------------|----------------|----------------|
|   | 30.06.2024     | 30.06.2023 | 30.06.2024     | 30.06.2023      | 30.06.2024   | 30.06.2023   | 30.06.2024     | 30.06.2023     |
|   | RM'000         | RM'000     | RM'000         | RM'000          | RM'000       | RM'000       | RM'000         | RM'000         |
| <b>Operating Revenue</b>                      |                |            |                |                 |              |              |                |                |
| Revenue from external customers               | 5,615          | 16,383     | 8,190          | 7,036           | 36,226       | 43,862       | 50,031         | 67,281         |
| Finance income                                | 6              | 8          | 4              | 11              | 1,309        | 1,128        | 1,319          | 1,147          |
| Other income                                  | -              | 49         | 182            | 66              | 18           | 57           | 200            | 172            |
| Fair value gain on fresh fruit bunches        | -              | -          | 225            | 1,789           | -            | -            | 225            | 1,789          |
|   | 5,621          | 16,440     | 8,601          | 8,902           | 37,553       | 45,047       | 51,775         | 70,389         |
| Operating expenses                            | (9,711)        | (20,096)   | (7,797)        | (11,224)        | (15,205)     | (20,029)     | (32,713)       | (51,349)       |
| Reversal for foreseeable losses               | 7              | 4,153      | -              | -               | -            | -            | 7              | 4,153          |
| Depreciation and amortisation                 | (1)            | (2)        | (5,148)        | (3,572)         | (320)        | (337)        | (5,469)        | (3,911)        |
| <b>Segment results</b>                        | (4,084)        | 495        | (4,344)        | (5,894)         | 22,028       | 24,681       | 13,600         | 19,282         |
| Finance costs                                 | (59)           | (175)      | (4,407)        | (4,401)         | (15,317)     | (15,834)     | (19,783)       | (20,410)       |
| <b>(Loss)/Profit before tax</b>               | <b>(4,143)</b> | <b>320</b> | <b>(8,751)</b> | <b>(10,295)</b> | <b>6,711</b> | <b>8,847</b> | <b>(6,183)</b> | <b>(1,128)</b> |

| Cumulative quarter results for 6 months ended | Construction   |             | Plantation      |                 | Concession    |               | Total           |                |
|---|----------------|-------------|-----------------|-----------------|---------------|---------------|-----------------|----------------|
|   | 30.06.2024     | 30.06.2023  | 30.06.2024      | 30.06.2023      | 30.06.2024    | 30.06.2023    | 30.06.2024      | 30.06.2023     |
|   | RM'000         | RM'000      | RM'000          | RM'000          | RM'000        | RM'000        | RM'000          | RM'000         |
| <b>Operating Revenue</b>                      |                |             |                 |                 |               |               |                 |                |
| Revenue from external customers               | 16,333         | 30,741      | 15,719          | 13,811          | 65,585        | 81,976        | 97,637          | 126,528        |
| Finance income                                | 9              | 19          | 8               | 37              | 2,250         | 2,254         | 2,267           | 2,310          |
| Other income                                  | -              | 77          | 267             | 181             | 468           | 73            | 735             | 331            |
| Fair value gain on fresh fruit bunches        | -              | -           | 278             | 2,411           | -             | -             | 278             | 2,411          |
|   | 16,342         | 30,837      | 16,272          | 16,440          | 68,303        | 84,303        | 100,917         | 131,580        |
| Operating expenses                            | (21,306)       | (35,411)    | (16,210)        | (20,566)        | (24,272)      | (33,961)      | (61,788)        | (89,938)       |
| Reversal of foreseeable losses                | 23             | 4,807       | -               | -               | -             | -             | 23              | 4,807          |
| Depreciation and amortisation                 | (2)            | (5)         | (10,297)        | (7,398)         | (638)         | (665)         | (10,937)        | (8,068)        |
| <b>Segment results</b>                        | (4,943)        | 228         | (10,235)        | (11,524)        | 43,393        | 49,677        | 28,215          | 38,381         |
| Finance costs                                 | (117)          | (300)       | (8,841)         | (8,579)         | (30,553)      | (31,535)      | (39,511)        | (40,414)       |
| <b>(Loss)/Profit before tax</b>               | <b>(5,060)</b> | <b>(72)</b> | <b>(19,076)</b> | <b>(20,103)</b> | <b>12,840</b> | <b>18,142</b> | <b>(11,296)</b> | <b>(2,033)</b> |

|   | Construction   |                | Plantation     |                | Concession       |                  | Total            |                  |
|---|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|
|   | 30.06.2024     | 30.06.2023     | 30.06.2024     | 30.06.2023     | 30.06.2024       | 30.06.2023       | 30.06.2024       | 30.06.2023       |
|   | 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>74,940</b>  | <b>57,551</b>  | <b>711,489</b> | <b>728,432</b> | <b>1,158,618</b> | <b>1,236,694</b> | <b>1,945,047</b> | <b>2,022,677</b> |
| Included in the measure of segment assets are:  |                |                |                |                |                  |                  |                  |                  |
| Additions to non-current assets other than<br>financial instruments and deferred tax assets | -              | -              | 3,097          | 7,450          | 518              | 2,224            | 3,615            | 9,674            |
| <b>Segment liabilities</b>  | <b>155,623</b> | <b>285,443</b> | <b>382,562</b> | <b>393,936</b> | <b>981,127</b>   | <b>1,055,851</b> | <b>1,519,312</b> | <b>1,735,230</b> |

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

|   | 30.06.2024      | 30.06.2023      |
|---|-----------------|-----------------|
|   | RM'000          | RM'000          |
| <b>Profit or loss</b>                         |                 |                 |
| Total loss for reportable segments            | (11,296)        | (2,033)         |
| Other non-reportable segments and elimination | (11,154)        | (13,111)        |
| Unallocated income                            | 2,922           | 1,042           |
| Loss before tax                               | <u>(19,528)</u> | <u>(14,102)</u> |

|  | External<br>revenue | Depreciation<br>and<br>amortisation | Finance<br>costs | Finance<br>income | Segment<br>assets | Additions to<br>non-current<br>assets | Segment<br>liabilities |
|--|---------------------|-------------------------------------|------------------|-------------------|-------------------|---------------------------------------|------------------------|
|  | RM'000              | RM'000                              | RM'000           | RM'000            | RM'000            | RM'000                                | RM'000                 |
| <b>Results for 3 months ended 30.06.2024</b>           |                     |                                     |                  |                   |                   |                                       |                        |
| Total reportable segments                              | 50,031              | (5,469)                             | (19,783)         | 1,319             | 11,746            | 1,729                                 | (10,339)               |
| Other non-reportable segments                          | -                   | (744)                               | 1,556            | 1,243             | (22,250)          | 60                                    | 3,738                  |
| Elimination of inter-segment transactions and balances | -                   | -                                   | 544              | (544)             | (3,886)           | -                                     | (2,796)                |
| Unallocated assets                                     | -                   | -                                   | -                | -                 | 757               | -                                     | -                      |
| Unallocated liabilities                                | -                   | -                                   | -                | -                 | -                 | -                                     | 14,511                 |
| <b>Consolidated total</b>                              | <b>50,031</b>       | <b>(6,213)</b>                      | <b>(17,683)</b>  | <b>2,018</b>      | <b>(13,633)</b>   | <b>1,789</b>                          | <b>5,114</b>           |
| <b>Results for 3 months ended 30.06.2023</b>           |                     |                                     |                  |                   |                   |                                       |                        |
| Total reportable segments                              | 67,281              | (3,911)                             | (21,473)         | 1,147             | 34,418            | 3,738                                 | (28,636)               |
| Other non-reportable segments                          | 10                  | (753)                               | 855              | 2,965             | 109               | 279                                   | (4,303)                |
| Elimination of inter-segment transactions and balances | -                   | -                                   | 2,550            | (2,550)           | (13,614)          | -                                     | 3,625                  |
| Unallocated assets                                     | -                   | -                                   | -                | -                 | (178)             | -                                     | -                      |
| Unallocated liabilities                                | -                   | -                                   | -                | -                 | -                 | -                                     | (11)                   |
| <b>Consolidated total</b>                              | <b>67,291</b>       | <b>(4,664)</b>                      | <b>(18,068)</b>  | <b>1,562</b>      | <b>20,735</b>     | <b>4,017</b>                          | <b>(29,325)</b>        |

|   | External<br>revenue | Depreciation<br>and<br>amortisation | Finance<br>costs | Finance<br>income | Segment<br>assets | Additions to<br>non-current<br>assets | Segment<br>liabilities |
|---|---------------------|-------------------------------------|------------------|-------------------|-------------------|---------------------------------------|------------------------|
|   | RM'000              | RM'000                              | RM'000           | RM'000            | RM'000            | RM'000                                | RM'000                 |
| <b>Results for cumulative 6 months ended 30.06.2024</b> |                     |                                     |                  |                   |                   |                                       |                        |
| Total reportable segments                               | 97,637              | (10,937)                            | (39,511)         | 2,267             | 1,945,047         | 3,615                                 | (1,519,312)            |
| Other non-reportable segments                           | -                   | (1,493)                             | 3,135            | 2,337             | 2,196,114         | 540                                   | (249,320)              |
| Elimination of inter-segment transactions and balances  | -                   | -                                   | 1,056            | (1,056)           | (1,218,034)       | -                                     | 254,211                |
| Unallocated assets                                      | -                   | -                                   | -                | -                 | 40,357            | -                                     | -                      |
| Unallocated liabilities                                 | -                   | -                                   | -                | -                 | -                 | -                                     | (147,205)              |
| <b>Consolidated total</b>                               | <b>97,637</b>       | <b>(12,430)</b>                     | <b>(35,320)</b>  | <b>3,548</b>      | <b>2,963,484</b>  | <b>4,155</b>                          | <b>(1,661,626)</b>     |
| <b>Results for cumulative 6 months ended 30.06.2023</b> |                     |                                     |                  |                   |                   |                                       |                        |
| Total reportable segments                               | 126,528             | (8,068)                             | (42,369)         | 2,310             | 2,022,677         | 9,674                                 | (1,735,230)            |
| Other non-reportable segments                           | 11                  | (1,700)                             | 1,895            | 5,517             | 2,051,677         | 618                                   | (349,001)              |
| Elimination of inter-segment transactions and balances  | -                   | -                                   | 4,668            | (4,668)           | (1,130,897)       | -                                     | 560,291                |
| Unallocated assets                                      | -                   | -                                   | -                | -                 | 47,165            | -                                     | -                      |
| Unallocated liabilities                                 | -                   | -                                   | -                | -                 | -                 | -                                     | (165,757)              |
| <b>Consolidated total</b>                               | <b>126,539</b>      | <b>(9,768)</b>                      | <b>(35,806)</b>  | <b>3,159</b>      | <b>2,990,622</b>  | <b>10,292</b>                         | <b>(1,689,697)</b>     |

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

The valuation of property, plant and equipment and investment properties had been brought forward without amendment from the latest audited annual financial statements as there is no indication on the fair value of the properties differs materially from their carrying value as at 31 December 2023.

#### **A11 Subsequent events**

Save as disclosed 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**

a) Striking Off of Purnama Persada Sdn Bhd ("Purnama Persada")

On 6 February 2024, the Company received a letter dated 31 January 2024 from the Companies Commission of Malaysia notifying that Purnama Persada Sdn Bhd ("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 a subsidiary of Puncak on 23 January 2024.

b) Striking Off of Puncak Patem Konsortium Sdn Bhd ("PPKSB")

On 22 April 2024, PPKSB had submitted an application to strike off of the name of PPKSB from the Register of Companies Commission of Malaysia pursuant to Section 550 of the Companies Act, 2016.

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 30 June 2024.

#### **A14 Other material disclosures**

a) **Revenue**

|                             | INDIVIDUAL QUARTER           |  | CUMULATIVE QUARTER           |   |
|-----------------------------|------------------------------|--|------------------------------|---|
|                             | Current Year<br>Quarter      | Preceding Year<br>Corresponding<br>Quarter | Current Year<br>To date      | Preceding Year<br>Corresponding<br>Period |
|                             | 3 months ended<br>30.06.2024 | 3 months ended<br>30.06.2023               | 6 months ended<br>30.06.2024 | 6 months ended<br>30.06.2023              |
|                             | RM'000                       | RM'000                                     | RM'000                       | RM'000                                    |
| Construction contracts      | 5,615                        | 16,383                                     | 16,333                       | 30,741                                    |
| Sale of fresh fruit bunches | 7,825                        | 6,373                                      | 14,846                       | 6,048                                     |
| Concessions                 | 36,226                       | 43,862                                     | 65,585                       | 81,976                                    |
| Others                      | 365                          | 673  | 873                          | 7,774                                     |
|                             | <u>50,031</u>                | <u>67,291</u>                              | <u>97,637</u>                | <u>126,539</u>                            |

b) **Capital commitments**

The following are the capital commitments of the Group:-

|                                       |  |
|---------------------------------------|--|
|                                       | <b>As at<br/>30.06.2024<br/>RM'000</b> |
| Contracts approved and contracted for | <u>593</u>                             |

## A14 Other material disclosures (cont'd)

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

|             | 6 months ended 30.06.2024 |                          |                 |
|-------------|---------------------------|--------------------------|-----------------|
|             | At cost                   | Accumulated depreciation | Carrying amount |
|             | RM'000                    | RM'000                   | RM'000          |
| Acquisition | 1,162                     | (64)                     | 1,098           |
| Disposal    | 295                       | (295)                    | -               |

## 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 |
|--------------------------------|-----------------|------------|-----------------|------------|
|                                | 30.06.2024      | 30.06.2024 | 30.06.2023      | 30.06.2023 |
|                                | RM'000          | RM'000     | RM'000          | RM'000     |
| <b>Financial liabilities :</b> |                 |            |                 |            |
| Loans and borrowings           | 1,147,569       | 1,147,569  | 1,178,282       | 1,178,282  |

Short-term investments of the Group amounted to RM6,838,000 (31.12.2023 : RM34,193,000) 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 RM64,939,000 (31.12.2023 : RM64,664,000) 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.

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

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### **B1 Review of performance**

The Group registered a lower revenue of RM50.0 million and RM97.6 million for the current financial quarter and financial year-to-date as compared to a revenue of RM67.3 million and RM126.5 million in the preceding year's corresponding financial quarter and financial year-to-date, representing decreases of RM17.3 million (-26%) and RM28.9 million (-23%) respectively. The decrease in revenue recorded for the current financial quarter and financial year-to-date was mainly attributed to lower revenue contributions from the Construction and Concession segments.

The Group reported a loss before tax ("LBT") of RM9.3 million and RM19.5 million for the current financial quarter and financial year-to-date as compared to a LBT of RM7.0 million and RM14.1 million in the preceding year's corresponding financial quarter and financial year-to-date, representing negative variances of RM2.3 million (-33%) and RM5.4 million (-38%) respectively. The increase in LBT for the current financial quarter and financial year-to-date was mainly due to lower operational profit from the Construction segment.

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

#### (a) Construction :

The Construction segment reported a lower revenue of RM5.6 million and a LBT of RM4.1 million during the current financial quarter as compared to a revenue of RM16.4 million and a profit before tax ("PBT") of RM0.3 million in the preceding year's corresponding financial quarter, representing negative variances of RM10.8 million (-66%) and RM4.4 million (>-100%) respectively.

The lower revenue and LBT recorded for the current financial quarter as compared to the preceding year's corresponding quarter were mainly due to slower work progress on the Bunus, Kuantan and Johor Projects, coupled with fixed operating expenses and mitigated with the contribution from the Bukit Chupak Project which commenced in the first quarter of 2024.

#### (b) Plantation :

The Plantation segment reported a higher revenue of RM8.2 million and lower LBT of RM8.8 million during the current financial quarter as compared to a revenue of RM7.0 million and LBT of RM10.3 million in the preceding year's corresponding quarter, representing positive variances of RM1.2 million (17%) and RM1.5 million (15%) respectively.

The increase in revenue and lower in LBT reported for the current financial quarter as compared to the preceding year's corresponding quarter were mainly attributable to higher sales of fresh fruit bunches ("FFB") driven by increased production and higher average crude palm oil ("CPO") prices, lower operating expenses, despite with higher amortisation charge on bearer biological assets.

#### (c) Concession :

The Concession segment reported a lower revenue of RM36.2 million and lower PBT of RM6.7 million during the current financial quarter as compared to a revenue of RM43.9 million and PBT of RM8.8 million in the preceding year's corresponding financial quarter, representing negative variances of RM7.7 million (-18%) and RM2.1 million (-24%) respectively.

The lower revenue and PBT for the current financial quarter as compared to the preceding year's corresponding financial quarter was mainly due to lower contribution from the supply of additional medical equipment for Hospital Al-Sultan Abdullah UiTM.

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

The Group reported a revenue of RM50.0 million and a LBT of RM9.3 million for the current financial quarter as compared to a revenue of RM47.6 million and a LBT of RM10.2 million in the immediate preceding financial quarter, representing positive variances of RM2.4 million (5%) and RM0.9 million (9%) respectively. Lower LBT recorded for the current financial quarter were mainly due to higher revenue contributed from Concession and Plantation 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, escalating costs of materials and shortage of labour. As such, the Group remain prudent and vigilant in selecting the 'right' projects with sufficient margins when bidding for new opportunities in utilities and infrastructure projects domestically. The Group's track record and 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 impacted by weather developments, geopolitical risks, government policies and slower global economic growth.

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 any operational risks while maximising our operational efficiency and productive areas, while ensuring full harvesting of FFB at all our plantation estates.

### 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. The Group will seek for more opportunities to build and manage other teaching hospitals under the Ministry of Higher Education, as well as participating in tenders for new hospitals under 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 Variations from profit forecast and profit guarantee**

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

**B5 Income tax expense**

|  | INDIVIDUAL QUARTER           |  | CUMULATIVE QUARTER           |   |
|--|------------------------------|--|------------------------------|---|
|  | Current Year<br>Quarter      | Preceding Year<br>Corresponding<br>Quarter | Current Year<br>To date      | Preceding Year<br>Corresponding<br>Period |
|  | 3 months ended<br>30.06.2024 | 3 months ended<br>30.06.2023               | 6 months ended<br>30.06.2024 | 6 months ended<br>30.06.2023              |
|  | RM'000                       | RM'000                                     | RM'000                       | RM'000                                    |
| Income tax   |                              |  |                              |   |
| - current year tax expense                             | (1,557)                      | (2,404)                                    | (2,813)                      | (4,251)                                   |
| - under provision in prior years                       | -                            | -  | (5,875)                      | -   |
| - real property gains tax                              | (9,182)                      | -  | (9,182)                      | -   |
|  | <u>(10,739)</u>              | <u>(2,404)</u>                             | <u>(17,870)</u>              | <u>(4,251)</u>                            |
| Deferred tax   |                              |  |                              |   |
| - origination and reversal of<br>temporary differences | 11,516                       | 897  | 13,793                       | 2,096                                     |
|  | <u>777</u>                   | <u>(1,507)</u>                             | <u>(4,077)</u>               | <u>(2,155)</u>                            |

The effective tax rate of the Group for the financial year-to-date was slightly 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 30 June 2024 are as follows:-

|                           | Current<br>RM'000 | Non-current<br>RM'000 |
|---------------------------|-------------------|-----------------------|
| <b>Secured</b>            |                   |                       |
| Tawarruq term loan        | 2,400             | 122,483               |
| Revolving credit facility | 150,000           | -                     |
| Medium Term Notes         | 24,766            | 218,055               |
| Senior Sukuk Murabahah    | 37,890            | 507,960               |
| Sukuk Murabahah           | 34,000            | 50,000                |
| Bank overdraft            | 15                | -                     |
| Lease liabilities         | 1,612             | 1,524                 |
|                           | <u>250,683</u>    | <u>900,022</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.

| Claim No | Description                                   | Final Award (Rs) |
|----------|---|------------------|
| 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").

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) 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").

**(II) 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 PNCBSB 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 and 3 May 2024. Parties are currently awaiting further instructions from the Arbitral Tribunal on the timeline for parties to finalise the notes of proceeding, as well as to file and serve their respective written submissions and submissions in reply.

On 27 May 2024, the Tribunal directed the parties to finalise the Notes of Proceeding by 31 July 2024 as well as to file and exchange written submissions and rebuttal written submissions by 7 October 2024 and 7 December 2024, respectively.

**(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.

The arbitral tribunal was constituted and a preliminary meeting was called on 5 August 2024 wherein parties were given directions to move the arbitration forward.

On 5 August 2024, the arbitral tribunal fixed the next preliminary meeting on 14 July 2025.

### **(III) 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.

The Court of Appeal has also fixed a case management on 24 June 2024 before the hearing for the appeal.

At the case management on 24 June 2024, the Court of Appeal informed that the hearing fixed on 5 July 2024 has been vacated. The Court of Appeal has fixed a new hearing date for the appeal on 20 February 2025. The Court of Appeal has also fixed a case management on 6 February 2025 before the hearing for the appeal.

#### **B10 Dividend**

No dividend has been proposed or declared for the current financial year-to-date (2023: RM Nil).

#### **B11 Loss per share**

Basic 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.

|   | INDIVIDUAL QUARTER                                      |  | CUMULATIVE QUARTER                                      |   |
|---|---|--|---|---|
|   | Current Year<br>Quarter<br>3 months ended<br>30.06.2024 | Preceding Year<br>Corresponding<br>Quarter<br>30.06.2023 | Current Year<br>To date<br>6 months ended<br>30.06.2024 | Preceding Year<br>Corresponding<br>Period<br>30.06.2023 |
| Loss net of tax attributable to owners of the Company (RM'000)  | (7,862)   | (7,387)  | (22,591)  | (14,137)  |
| Weighted average number of ordinary shares in issue (unit '000) | 447,248   | 447,248  | 447,248   | 447,248   |
| Basic loss per share (sen)                                      | (1.76)  | (1.65)   | (5.05)  | (3.16)  |

#### **Diluted loss per ordinary share**

Diluted 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 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 August 2024