

**PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Year Quarter 30.6.2019 RM'000	(Audited) Preceding Year Quarter 30.6.2018 RM'000	(Unaudited) Current Year To Date 30.6.2019 RM'000	(Audited) Preceding Year To Date 31.6.2018 RM'000
<b>Revenue</b>	<b>172,727</b>	<b>143,352</b>	<b>296,227</b>	<b>313,974</b>
Cost of sales	(152,071)	(125,855)	(259,278)	(280,877)
<b>Gross profit</b>	<b>20,656</b>	<b>17,497</b>	<b>36,949</b>	<b>33,097</b>
Other operating income	441	509	734	1,036
Selling and administrative expenses	(9,507)	(9,895)	(18,585)	(19,818)
<b>Profit from operations</b>	<b>11,590</b>	<b>8,111</b>	<b>19,098</b>	<b>14,315</b>
Finance costs	(2,165)	(2,589)	(4,387)	(4,943)
<b>Profit before tax</b>	<b>9,425</b>	<b>5,522</b>	<b>14,711</b>	<b>9,372</b>
Income tax expense	(2,228)	(1,591)	(3,611)	(2,280)
<b>Profit for the period</b>	<b>7,197</b>	<b>3,931</b>	<b>11,100</b>	<b>7,092</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>7,197</b>	<b>3,931</b>	<b>11,100</b>	<b>7,092</b>
<b>Total comprehensive income attributable to:</b>				
• Owners of the parent	6,548	3,568	9,750	6,527
• Non-controlling interests	649	363	1,350	565
<b>Earnings per share (Sen)</b>				
• Basic	0.94	0.51	1.40	0.94
• Diluted	0.83	0.45	1.23	0.82

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

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

	(Unaudited) 30.6.2019 RM'000	(Audited) 31.12.2018 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	67,174	61,767
Investment properties	3,094	2,925
Intangible assets	56,731	58,284
Financial receivables	135,783	136,984
Trade receivables	51,453	54,197
	<u>314,235</u>	<u>314,157</u>
<b>Current assets</b>		
Inventories	695	681
Trade and other receivables	192,173	200,536
Contract assets	34,307	23,578
Tax recoverable	665	2,313
Deposits with licensed financial institutions	6,357	4,958
Cash and bank balances	26,871	22,869
	<u>261,068</u>	<u>254,935</u>
<b>TOTAL ASSETS</b>	<b><u>575,303</u></b>	<b><u>569,092</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	194,020	194,020
Reverse acquisition reserve	(91,000)	(91,000)
Retained earnings	85,728	75,978
Total equity attributable to owners of the parent	<u>188,748</u>	<u>178,998</u>
Non-controlling interests	10,511	9,161
	<u>199,259</u>	<u>188,159</u>
<b>Non-current liabilities</b>		
Bank borrowings	80,373	76,095
Hire purchase	10,828	7,580
Trade payables	26,945	19,419
Deferred tax liabilities	13,607	13,980
	<u>131,753</u>	<u>117,074</u>
<b>Current liabilities</b>		
Trade and other payables	174,591	165,365
Contract liabilities	23,112	49,580
Bank borrowings	41,729	44,670
Hire purchase	4,859	4,244
	<u>244,291</u>	<u>263,859</u>
<b>TOTAL LIABILITIES</b>	<b><u>376,044</u></b>	<b><u>380,933</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>575,303</u></b>	<b><u>569,092</u></b>
<b>Net assets per share attributable to owners of the parent (Sen)</b>	<b><u>27.16</u></b>	<b><u>25.76</u></b>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
AS AT 30 JUNE 2019**

	<b>ATTRIBUTABLE TO OWNERS OF THE PARENT</b>					
	<b>Non-distributable</b>			<b>Distributable</b>		<b>Total</b>
	Share capital RM'000	Share premium RM'000	Reverse acquisition reserve RM'000	Retained earnings RM'000	Non-controlling interests RM'000	
<b>As at 1 January 2019</b>	<b>194,020</b>	-	<b>(91,000)</b>	<b>75,978</b>	<b>9,161</b>	<b>188,159</b>
Total comprehensive income for the period	-	-	-	9,750	1,350	11,100
<b>As at 30 June 2019</b>	<b>194,020</b>	-	<b>(91,000)</b>	<b>85,728</b>	<b>10,511</b>	<b>199,259</b>
<b>As at 1 January 2018</b>	<b>194,008</b>	-	<b>(91,000)</b>	<b>74,675</b>	<b>7,922</b>	<b>185,605</b>
Total comprehensive income for the period	-	-	-	6,527	565	7,092
Conversion of warrants	12	-	-	-	-	12
<b>As at 30 June 2018</b>	<b>194,020</b>	-	<b>(91,000)</b>	<b>81,202</b>	<b>8,487</b>	<b>192,709</b>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

**PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE SECOND QUARTER ENDED 30 JUNE 2019**

	(Unaudited) Current Year to date 30.6.2019 RM'000	(Audited) Preceding Year to date 31.12.2018 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	14,711	14,057
Adjustments for:-		
• Amortisation and depreciation	9,711	20,016
• Interest expenses	4,387	10,890
• Other non-cash operating items	(468)	3,686
<b>Operating profit before working capital changes</b>	<b>28,341</b>	<b>48,649</b>
Changes in inventories	69	175
Changes in trade and other receivables	12,307	(62,584)
Changes in trade and other payables	16,820	9,588
Changes in contract assets/liabilities	(37,196)	24,579
<b>Cash generated from operations</b>	<b>20,341</b>	<b>20,407</b>
Interest received	259	1,121
Interest paid	(4,287)	(10,777)
Tax paid	(2,334)	(7,145)
<b>Net cash generated from operating activities</b>	<b>13,979</b>	<b>3,606</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(13,809)	(4,717)
Proceeds from disposal of property, plant and equipment	130	10,975
<b>Net cash generated from/(used in) investing activities</b>	<b>(13,679)</b>	<b>6,258</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to shareholders	-	(6,949)
Proceeds from issuance of shares	-	13
Net change in hire purchase	3,862	(5,342)
Net change in bank borrowings	1,237	5,437
Changes in fixed deposits pledged with licensed banks	(1,399)	(1,069)
<b>Net cash generated from/(used in) financing activities</b>	<b>3,700</b>	<b>(7,910)</b>
<b>Net change in cash and cash equivalents</b>	<b>4,000</b>	<b>1,954</b>
Cash and cash equivalents at the beginning of year	21,494	19,539
Effect of exchange translation difference on cash and cash equivalents	2	1
<b>Cash and cash equivalents at the end of period</b>	<b>25,496</b>	<b>21,494</b>
<b>Cash and cash equivalents comprise of the following:</b>		
• Deposits with licensed financial institutions	6,357	4,958
• Cash and bank balances	26,871	22,869
	33,228	27,827
Less: Fixed deposits pledged with licensed banks	(7,732)	(6,333)
	<b>25,496</b>	<b>21,494</b>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.

## **PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**

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### **A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

#### **A1. Basis of preparation**

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

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018.

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 Company and its subsidiaries ("The Group") since the financial year ended 31 December 2018.

#### **A2. Changes in Accounting Policies**

The Group has adopted the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia for the accounting period beginning 1 January 2019.

#### **A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2018 was not qualified.

#### **A4. Seasonal or Cyclical Factors**

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

#### **A5. Unusual Items**

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

#### **A6. Changes in Estimates**

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

**PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A7. Changes in Debt and Equity Securities**

There were no changes in debt and equity securities during the quarter under review.

**A8. Dividend Paid**

There has been no dividend paid during the quarter under review.

**A9. Segmental Reporting**

The Group’s segmental report for the financial year ended 30 June 2019 is as follows:-

	<b>Investment holding</b> RM’000	<b>Construction</b> RM’000	<b>Manufacturing</b> RM’000	<b>Concessionaire asset and maintenance</b> RM’000	<b>Elimination</b> RM’000	<b>Total</b> RM’000
<b>Revenue</b>						
External sales	-	282,754	1,483	11,990	-	296,227
Inter-segment sales	-	3,100	-	1,651	(4,751)	-
<b>Total revenue</b>	<b>-</b>	<b>285,854</b>	<b>1,483</b>	<b>13,641</b>	<b>(4,751)</b>	<b>296,227</b>
Interest income	-	1,727	-	79	(1,547)	259
Interest expense	-	(1,586)	(2)	(4,346)	1,547	(4,387)
Amortisation and depreciation	-	(7,484)	(654)	(20)	(1,553)	(9,711)
Impairment of assets	-	-	-	-	-	-
<b>Results</b>						
Profit/(Loss) from operations	(394)	13,164	(672)	10,100	(3,100)	19,098
Finance costs	-	(1,586)	(2)	(4,346)	1,547	(4,387)
Profit/(Loss) before tax	(394)	11,578	(674)	5,754	(1,553)	14,711
Income tax expense	-	(3,950)	-	(34)	373	(3,611)
<b>Profit/(Loss) after tax</b>	<b>(394)</b>	<b>7,628</b>	<b>(674)</b>	<b>5,720</b>	<b>(1,180)</b>	<b>11,100</b>

## PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

### A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING

#### A9. Segmental Reporting (Continued)

The Group’s segmental report for the financial year ended 30 June 2018 is as follows:-

	Investment holding RM’000	Construction RM’000	Manufacturing RM’000	Concessionaire asset and maintenance RM’000	Elimination RM’000	Total RM’000
<b>Revenue</b>						
External sales	10	300,631	1,645	11,688	-	313,974
Inter-segment sales	-	34,859	-	2,918	(37,777)	-
<b>Total revenue</b>	<b>10</b>	<b>335,490</b>	<b>1,645</b>	<b>14,606</b>	<b>(22,167)</b>	<b>313,974</b>
Interest income	10	1,926	-	30	(1,668)	298
Interest expense	-	(1,550)	(49)	(5,012)	1,668	(4,943)
Amortisation and depreciation	-	(7,281)	(662)	(19)	(1,917)	(9,879)
Impairment of assets	-	-	-	-	-	-
<b>Results</b>						
Profit/(Loss) from operations	(388)	9,182	(864)	9,970	(3,585)	14,315
Finance costs	-	(1,550)	(49)	(5,012)	1,668	(4,943)
Profit/(Loss) before tax	(388)	7,632	(913)	4,958	(1,917)	9,372
Income tax expense	-	(2,519)	-	(320)	559	(2,280)
<b>Profit/(Loss) after tax</b>	<b>(388)</b>	<b>5,113</b>	<b>(913)</b>	<b>4,638</b>	<b>(1,358)</b>	<b>7,092</b>

#### A10. Valuation of Property, Plant and Equipment

The Group’s property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

#### A11. Material Events Subsequent to the End of the Interim Period

There were no other material events subsequent to the end of the interim period.

#### A12. Changes in Composition of the Group

There have been no changes in composition of the Group.

**PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)**

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**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A.13 Capital Commitments**

	As at 30.6.2019 RM’000
Approved and contracted for	
- Purchase of property, plant and equipment	<u>14,353</u>

**A14. Changes in Contingent Liabilities**

	As at 30.6.2019 RM’000
Bank guarantees issued by licensed banks in respect of construction projects	<u>135,260</u>

**A15. Significant Related Party Transactions**

The significant related party transactions during the quarter under review in which directors of the Company have substantial financial interest are as follows:-

	Current Year Quarter 30.6.2019 RM’000	Current Year To date 30.6.2019 RM’000
Provision of construction works to a company in which directors have substantial financial interest	<u>13,433</u>	<u>39,579</u>



## PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

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### B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

#### B1. Review of Performance

##### Current Year Quarter:

The Group achieved a revenue of RM173 million for the quarter under review. The revenue increased by RM29 million or 20% as compared to the same quarter last year. The increase is mainly due to the construction progress recognized from the ongoing projects, in particular, the construction of I-City mall which was successfully completed during the quarter.

In line with the higher revenue, the Group registered profit before tax of RM9.4 million for the quarter, an increase of 71% as compared to the same quarter last year.

##### Current Year To Date:

The Group achieved a revenue of RM296 million for the first half of year 2019 with majority contribution from the construction division. The revenue decreased marginally by RM18 million or 6% as compared to the same period last year.

Despite of lower revenue, the Group registered a higher profit before tax of RM14.7 million for the period ended 30 June 2019 as compared to RM9.4 million in the same period last year. The increase in profit before tax is mainly due to improved profit margin from the ongoing projects and additional cost saving from the completed projects which were recognized during the period.

#### B2. Comparison with Immediate Preceding Quarter's Results

	Current Quarter	Preceding Quarter	Variance	
	30.6.2019	31.3.2019	RM'000	%
Revenue	172,727	123,500	49,227	40%
Profit before tax	9,425	5,286	4,139	78%

The revenue increased by 40% due mainly to the contribution from the I-City mall project.

The profit before tax increased by 78% as compared to the preceding quarter. The increase is mainly due to the contribution from the above mentioned project.

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### **B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES**

#### **B3. Prospects for the Financial Year ending 31 December 2019**

As at 30 June 2019, the Group has an outstanding order book of RM1.9 billion, comprising 10 ongoing projects. These projects are expected to be delivered over the next 2 years and hence, contribution of construction revenue is expected to be stable for the remaining financial year ending 31 December 2019.

Accordingly, barring any unforeseen circumstances, the Group expects to achieve a satisfactory performance for the financial year ending 31 December 2019.

#### **B4. Financial Forecast**

There was no financial forecast announced in relation to the financial quarter under review.

#### **B5. Taxation**

	Current Year Quarter 30.6.2019 RM'000	Current Year To date 30.6.2019 RM'000
Current year tax	2,414	3,984
Deferred tax	(186)	(373)
	<b>2,228</b>	<b>3,611</b>

The effective tax rate is higher than the statutory tax rate due to certain non-allowable expenses and the losses incurred by the manufacturing entities.

#### **B6. Note to the Statement of Comprehensive Income**

The note to the statement of comprehensive income is arrived at after charging or crediting the following items:

	Current Year Quarter 30.6.2019 RM'000	Current Year To date 30.6.2019 RM'000
Interest income	(118)	(259)
Other income	(11)	(29)
Interest expense	2,165	4,387
Amortisation and depreciation	5,027	9,711
Impairment of assets	-	-
Loss/(Gain) on disposal of property, plant and equipment	(5)	(60)

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### B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

#### B7. Status of Corporate Proposal

There is no pending corporate proposal.

#### B8. Group's Borrowings and Debt Securities

The Group's borrowings as at 30 June 2019 were as follows:-

	As at 30.6.2019 RM'000
<b>Long term borrowings</b>	
Secured:	
• Commodity Murabahah Term Financing-i	80,373
• Hire purchase	10,828
	<u>91,201</u>
<b>Short term borrowings</b>	
Secured:	
• Commodity Murabahah Term Financing-i	11,731
• Structure commodity financing and Contract financing	29,998
• Hire purchase	4,859
	<u>46,588</u>

#### B9. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk.

#### B10. Material Litigation

During the quarter under review, neither the Group nor the Company involves in any material litigation.

#### B11. Dividend

No dividend has been proposed during the quarter under review.

## PESONA METRO HOLDINGS BERHAD (Co. No. 957876-T)

### B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 AND PART A OF APPENDIX 9B OF THE LISTING REQUIREMENT OF BURSA SECURITIES

#### B12. Earnings per Share

	Current Year Quarter 30.6.2019	Current Year To date 30.6.2019
Profit for the period attributable to owners (RM'000)	6,548	9,750
<b>Number of shares:</b>		
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	694,941	694,941
Effect of dilutive potential ordinary shares from the exercise of warrants ('000)	98,013	98,013
Weighted average number of ordinary shares in issue for diluted earnings per share ('000)	792,954	792,954
Basic earnings per share (Sen)	0.94	1.40
Diluted earnings per share (Sen)	0.83	1.23

#### B13. Realised and unrealised earnings or losses disclosure

	As at 30.6.2019 RM'000
<b>Total retained earnings for the Group:</b>	
• Realised	79,513
• Unrealised	5,409
• Consolidated adjustment	806
	<u>85,728</u>

#### B14. Authorisation for Issue

This interim financial report was authorized for issuance by the Board of Directors of the Company on 26 August 2019.