

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2022**

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31 Mar 2022 RM'000	Preceding year corresponding quarter 31 Mar 2021 RM'000	Current period 31 Mar 2022 RM'000	Preceding year corresponding period 31 Mar 2021 RM'000
Revenue	192,634	230,030	582,982	657,435
Operating expenses	(181,698)	(212,152)	(529,511)	(571,310)
Other operating income	66	1,058	1,330	1,628
Other gains/(losses)	2,576	5,065	830	(6,799)
Operating profit	13,578	24,001	55,631	80,954
Share of profit of equity-accounted associate	190	151	393	522
<b>Profit before interest and tax</b>	<b>13,768</b>	<b>24,152</b>	<b>56,024</b>	<b>81,476</b>
Finance income	14,445	12,176	43,064	35,080
Finance costs	(15,721)	(13,607)	(47,574)	(42,887)
<b>Profit before tax</b>	<b>12,492</b>	<b>22,721</b>	<b>51,514</b>	<b>73,669</b>
Tax expense	(1,908)	(3,191)	(3,553)	(12,466)
<b>Profit for the period</b>	<b>10,584</b>	<b>19,530</b>	<b>47,961</b>	<b>61,203</b>
<b>Other comprehensive income/(expense):</b>				
Items that will be reclassified subsequently to profit or loss				
- Exchange translation differences	18,755	16,544	26,751	(12,644)
- Fair value gain on cash flow hedge	20	7,963	2,916	12,425
<b>Total comprehensive income for the period</b>	<b>29,359</b>	<b>44,037</b>	<b>77,628</b>	<b>60,984</b>
Profit for the period attributable to:				
Owners of the Company	6,522	14,334	27,489	37,459
Non-controlling interests	4,062	5,196	20,472	23,744
	10,584	19,530	47,961	61,203
Total comprehensive income attributable to:				
Owners of the Company	23,566	32,568	54,316	38,498
Non-controlling interests	5,793	11,469	23,312	22,486
	29,359	44,037	77,628	60,984

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2022 (CONT'D)**

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31 Mar 2022 RM'000	Preceding year corresponding quarter 31 Mar 2021 RM'000	Current period 31 Mar 2022 RM'000	Preceding year corresponding period 31 Mar 2021 RM'000
EBITDA	18,460	28,894	68,876	94,476
Earnings per share				
- Basic (Sen)*	0.69	1.51	2.89	3.93
- Diluted (Sen)*	0.67	1.51	2.82	3.93

*\* For comparative purpose, the basic and diluted earnings per share for the quarter and the preceding year to date ended 31 March 2021 had been adjusted to reflect the bonus issue of 8 new ordinary shares for every 2 existing ordinary shares held which was completed on 21 December 2021.*

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
31 MARCH 2022**

	Note	Unaudited as at 31 Mar 2022 RM'000	Audited as at 30 June 2021 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		224,680	201,133
Intangible assets		90,401	92,592
Investment in associates		1,279	886
Derivative financial instruments		2,163	-
Contract assets	A13	930,960	956,577
<b>Total non-current assets</b>		<b>1,249,483</b>	<b>1,251,188</b>
<b>Current assets</b>			
Contract assets	A13	1,120,741	934,641
Inventories		47,268	21,635
Trade receivables	A14	200,824	217,236
Other receivables, deposits and prepayments		71,756	66,161
Amount due from associate		3,274	150
Tax recoverable		4,938	10,991
Fixed deposits with licensed institutions		41,348	17,890
Cash and bank balances		147,130	184,440
<b>Total current assets</b>		<b>1,637,279</b>	<b>1,453,144</b>
<b>Total assets</b>		<b>2,886,762</b>	<b>2,704,332</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		232,942	212,672
Treasury shares		(2,345)	(2,345)
Reserves		(21,239)	(48,066)
Retained earnings		441,227	419,290
		650,585	581,551
Perpetual SUKUK		90,700	48,550
Non-controlling interests		156,930	131,611
<b>Total equity</b>		<b>898,215</b>	<b>761,712</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT  
31 MARCH 2022 (CONT'D)**

	Note	Unaudited as at 31 Mar 2022 RM'000	Audited as at 30 June 2021 RM'000
<b>EQUITY AND LIABILITIES (Cont'd)</b>			
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Derivative financial liabilities		5,326	27,805
Lease liabilities	A16	10,585	10,964
Loans and borrowings	A16	761,131	757,857
Deferred tax liabilities		4,235	3,573
Trade payables		-	4,045
<b>Total non-current liabilities</b>		<b>781,277</b>	<b>804,244</b>
<b>Current liabilities</b>			
Contract liabilities	A13	-	3,089
Trade payables		584,224	524,172
Other payables and accruals		122,741	105,046
Lease liabilities	A16	2,124	2,033
Loans and borrowings	A16	494,676	491,866
Tax payable		3,505	12,170
<b>Total current liabilities</b>		<b>1,207,270</b>	<b>1,138,376</b>
<b>Total liabilities</b>		<b>1,988,547</b>	<b>1,942,620</b>
<b>Total equity and liabilities</b>		<b>2,886,762</b>	<b>2,704,332</b>
<b>Net assets per share (Sen)*</b>		<b>92.43</b>	<b>80.06</b>
<b>Net assets per share attributable to Owners of the Company (Sen)*</b>		<b>66.95</b>	<b>61.12</b>

\* For comparative purpose, the net assets per share and net assets per share attributable to Owners of the Company for the quarter and the preceding year to date ended 31 March 2022 had been adjusted to reflect the bonus issue of 8 new ordinary shares for every 2 existing ordinary shares held which was completed on 21 December 2021.

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2022

	← Attributable to owners of the Company →										
	← Non-distributable						→ Distributable				
	Share capital RM'000	Treasury shares RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Capital reserve RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual SUKUK RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 July 2021</b>	212,672	(2,345)	(24,033)	570	8,534	(33,137)	419,290	581,551	48,550	131,611	761,712
Profit for the financial period	-	-	-	-	-	-	27,489	27,489	-	20,472	47,961
Other comprehensive income for the financial period	-	-	2,371	24,456	-	-	-	26,827	-	2,840	29,667
Total comprehensive income for the financial period	-	-	2,371	24,456	-	-	27,489	54,316	-	23,312	77,628
<b>Transaction with owners:</b>											
Dividend paid	-	-	-	-	-	-	(3,806)	(3,806)	-	(107)	(3,913)
Distribution to Perpetual SUKUK-holders	-	-	-	-	-	-	(1,746)	(1,746)	-	-	(1,746)
Issuance of Perpetual SUKUK	-	-	-	-	-	-	-	-	42,150	-	42,150
Issuance of share capital pursuant to private placement	20,270	-	-	-	-	-	-	20,270	-	-	20,270
Derecognition of interest in a subsidiary	-	-	-	-	-	-	-	-	-	2,114	2,114
<b>At 31 March 2022</b>	232,942	(2,345)	(21,662)	25,026	8,534	(33,137)	441,227	650,585	90,700	156,930	898,215

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND PERIOD ENDED 31 MARCH 2022  
(CONT'D)**

	← Attributable to owners of the Company →										
	← Non-distributable						→ Distributable				
	Share capital RM'000	Treasury shares RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Capital reserve RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual SUKUK RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 July 2020</b>	212,672	(918)	(33,825)	8,200	8,534	(33,137)	354,154	515,680	-	90,451	606,131
Profit for the financial period	-	-	-	-	-	-	37,459	37,459	-	23,744	61,203
Other comprehensive income/ (expense) for the financial period	-	-	9,799	(8,760)	-	-	-	1,039	-	(1,258)	(219)
Total comprehensive income for the financial period	-	-	9,799	(8,760)	-	-	37,459	38,498	-	22,486	60,984
<b>Transaction with owners:</b>											
Treasury shares acquired	-	(1,427)	-	-	-	-	-	(1,427)	-	-	(1,427)
Dividend paid	-	-	-	-	-	-	(7,612)	(7,612)	-	-	(7,612)
Issuance of Perpetual SUKUK	-	-	-	-	-	-	-	-	48,550	-	48,550
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	1,205	1,205
Gain arising from dilution of equity interest in a subsidiary	-	-	-	-	-	-	7,911	7,911	-	4,288	12,199
<b>At 31 March 2021</b>	212,672	(2,345)	(24,026)	(560)	8,534	(33,137)	391,912	553,050	48,550	118,430	720,030

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022**

	9-months ended	
	31 Mar 2022 RM'000	31 Mar 2021 RM'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax	51,514	73,669
Adjustments for:		
Amortisation of intangible assets	3,099	4,104
Amortisation of unwinding discount of financial liability	1,226	4,484
Depreciation of property, plant and equipment	9,753	8,896
Fair value loss on derivative financial instruments	1,156	946
Gain on disposal of property, plant and equipment	(230)	-
Interest expense	46,348	38,403
Interest income	(336)	(259)
Finance income arising from concession assets	(33,736)	(33,498)
Finance income arising from contract assets	(8,992)	(1,323)
Share of profit of equity-accounted associate	(393)	(522)
Unrealised (gain)/loss on foreign exchange	(381)	3,976
Operating profit before working capital changes	69,028	98,876
Changes in working capital:		
Inventories	(29,630)	(5,796)
Receivables	10,816	(71,736)
Payables	71,649	132,100
Contract customers	(97,162)	27,964
Associate	(3,123)	(40,124)
Cash generated from operations	21,578	141,284
Interest received	336	259
Interest paid	(46,348)	(38,403)
Tax refunded	7,799	6,565
Tax paid	(13,302)	(27,345)
Net cash (used in)/from operating activities	(29,937)	82,360
<b>INVESTING ACTIVITIES</b>		
Acquisition of intangible assets	-	(16,830)
Proceeds from utilisation of derivative financial instruments	-	3,122
Proceeds from disposal of property, plant and equipment	230	-
Proceeds from additional shares issuance in a subsidiary	-	13,404
Purchase of property, plant and equipment	(32,239)	(42,378)
Net cash used in investing activities	(32,009)	(42,682)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022 (CONT'D)**

	9-months ended	
	31 Mar 2022 RM'000	31 Mar 2021 RM'000
<b>FINANCING ACTIVITIES</b>		
Dividend paid	(3,806)	(7,612)
Dividend paid to non-controlling interests of a subsidiary	(107)	-
Distribution to Perpetual SUKUK-holders	(1,746)	-
Treasury shares acquired	-	(1,427)
Placement of fixed deposits and debt service reserve accounts with licensed institutions	(37,999)	(58,209)
Proceeds from issuance of share capital pursuant to private placement	20,270	-
Proceeds from issuance of Perpetual SUKUK	42,150	48,550
Drawdown from borrowings	703,183	485,722
Repayment of borrowings	(714,584)	(451,195)
Net cash from financing activities	7,361	15,829
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	(54,585)	55,507
Cash and cash equivalents at beginning of the period	121,202	54,027
Effect of foreign exchange translation	(3,537)	4,408
Cash and cash equivalents at end of the period	63,080	113,942
<b>Represented by:</b>		
Cash and bank balances	147,130	175,947
Fixed deposits with licensed financial institutions	41,348	9,925
Bank overdrafts	(33,900)	(13,721)
	154,578	172,151
Less: Fixed deposits and bank balances pledged to financial institutions	(91,498)	(58,209)
	63,080	113,942

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2021.

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

### A1. Accounting policies and basis of preparation

The condensed financial report is unaudited and has been prepared in accordance with MFRS 134: *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed financial report should be read in conjunction with the audited financial statements presented in Annual Report for the financial year ended 30 June 2021.

The explanatory notes attached to the condensed financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company, its subsidiaries and associates since the financial year ended 30 June 2021.

The accounting policies and methods of computation adopted by the Group in this condensed financial report are consistent with those adopted in the most recent annual financial report for the year ended 30 June 2021.

### Standards issued but not yet effective

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

#### Effective for financial periods beginning on or after 1 January 2022:

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137#	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018-2021 (MFRS 1, 9 and 141#)	

#### Effective for financial periods beginning on or after 1 January 2023:

MFRS 17 and amendments to MFRS 17#	Insurance Contracts
Amendments to MFRS 101	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Presentation of Financial Statements – Disclosure of Accounting Policies
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
Amendments to MFRS 112	Income Taxes – Deferred tax related to Assets and Liabilities arising from a Single Transaction

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

### A1. Accounting policies and basis of preparation (Cont'd)

#### Effective date deferred indefinitely:

Amendments to MFRS 10 and  
MFRS 128

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

# Not applicable to the Group’s operations

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

### A2. Seasonal or cyclical factors

The Group’s operations are not subject to seasonal or cyclical factors.

### A3. Items of unusual nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial quarter ended 31 March 2022.

### A4. Material changes in estimates

There were no changes in estimates of amounts reported in previous financial year that have had a material effect for the current financial quarter ended 31 March 2022.

### A5. Changes in debt and equity securities

#### Issuance of Perpetual SUKUK

During the quarter under review, the Company has issued the first tranche (series 3 & series 4) of Perpetual SUKUK with a nominal value of RM42.15 million. The Perpetual SUKUK was issued with a tenure of perpetual non-callable 3 years with an initial periodic distribution rate of 6.0% per annum.

#### Issuance of Share Capital pursuant to Private Placement

During the quarter under review, there were 36,854,600 new ordinary shares ("Placement Shares"), being issued at RM0.55 each as a first tranche of Placement Shares pursuant to the Private Placement (as defined in Note B5) on 23 March 2022.

Other than the above, there were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities during the current financial quarter ended 31 March 2022.

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

## **A6. Dividends paid**

During the quarter under review, the Company has paid the final dividend amounting to RM3,805,862 on 7 January 2022 in respect to the financial year ended 30 June 2021.

Other than the above, there were no other dividends paid during the current financial quarter ended 31 March 2022.

## **A7. Changes in composition of the Group**

On 2 March 2022, SystemCorp Energy Pty Ltd ("SEN"), a 51%-owned Australian subsidiary of the Company is successfully wound-up and de-registered by the Australian Securities & Investments Commission.

On 31 March 2022, PESTECH Power Sdn. Bhd., a wholly-owned subsidiary of PESTECH International Berhad, incorporated a 100% owned subsidiary, PESTECH Pluginfinite Sdn. Bhd., incorporated in Malaysia, with a paid up capital of RM1. PESTECH Pluginfinite Sdn Bhd is principally engaged in the business of investment holding and provision of electrical vehicles charging facilities, green renewable energy services and other ancillary services.

Other than the above, there were no other changes to the composition of the group during the quarter under review.

## **A8. Valuation of property, plant and equipment**

There were no valuation of property, plant and equipment for the current financial quarter ended 31 March 2022.

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

## A9. Segmental information

The Group is organised into business units based on its products and services, which comprises the following:

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

	← Results for the quarter ended 31 Mar 2022 →				→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	
<b>Revenue</b>					
External customers	-	190,560	2,074	-	192,634
Inter-segment	4,504	27,441	1,519	(33,464)	-
Total revenue	4,504	218,001	3,593	(33,464)	192,634
Finance income	3,651	20,442	-	(9,648)	14,445
Finance costs	(2,297)	(23,472)	(283)	10,331	(15,721)
<b>Net finance income/(expense)</b>	1,354	(3,030)	(283)	683	(1,276)
Segment profit/(loss) before tax	2,433	18,874	(2,016)	(6,799)	12,492
Segment profit/(loss) after tax	1,911	17,488	(2,016)	(6,799)	10,584

	← Results for the quarter ended 31 Mar 2021 →				→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	
<b>Revenue</b>					
External customers	-	210,451	19,579	-	230,030
Inter-segment	1,034	74,131	46,581	(121,746)	-
Total revenue	1,034	284,582	66,160	(121,746)	230,030
Finance income	-	12,143	33	-	12,176
Finance costs	(3,652)	(9,443)	(512)	-	(13,607)
<b>Net finance expense</b>	(3,652)	2,700	(479)	-	(1,431)
Segment profit before tax	1,526	18,539	2,352	304	22,721
Segment profit after tax	1,512	15,362	2,352	304	19,530

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

**A9. Segmental information (Cont'd)**

The Group is organised into business units based on its products and services, which comprises the following (Cont'd):

	← Results for the period ended 31 Mar 2022 →				→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	
<b>Revenue</b>					
External customers	-	579,028	3,954	-	582,982
Inter-segment	13,510	205,104	34,690	(253,304)	-
Total revenue	13,510	784,132	38,644	(253,304)	582,982
Finance income	9,544	62,413	1	(28,894)	43,064
Finance costs	(9,516)	(66,149)	(847)	28,938	(47,574)
<b>Net finance income/ (expense)</b>	28	(3,736)	(846)	44	(4,510)
Segment profit/(loss) before tax	218	66,731	(6,290)	(9,145)	51,514
Segment profit/(loss) after tax	(855)	64,251	(6,290)	(9,145)	47,961

	← Results for the period ended 31 Mar 2021 →				→
	Investment RM'000	EPMCC RM'000	Product RM'000	Elimination RM'000	
<b>Revenue</b>					
External customers	-	630,325	27,110	-	657,435
Inter-segment	3,526	200,889	69,684	(274,099)	-
Total revenue	3,526	831,214	96,794	(274,099)	657,435
Finance income	-	35,047	33	-	35,080
Finance costs	(4,276)	(37,742)	(869)	-	(42,887)
<b>Net finance expense</b>	(4,276)	(2,695)	(836)	-	(7,807)
Segment profit/(loss) before tax	(4,171)	77,416	(1,301)	1,725	73,669
Segment profit/(loss) after tax	(4,206)	64,985	(1,301)	1,725	61,203

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

**A10. Tax expense**

	<b>Current year quarter 31 Mar 2022 RM'000</b>	<b>Preceding year corresponding quarter 31 Mar 2021 RM'000</b>	<b>Current Period 31 Mar 2022 RM'000</b>	<b>Preceding year corresponding period 31 Mar 2021 RM'000</b>
Tax expense	(1,908)	(3,191)	(3,553)	(12,466)

Tax is calculated at Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable profit for the financial period. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

The Group's effective tax rate is lower than the statutory tax rate in current financial period mainly due to the tax exemption obtained by certain overseas subsidiaries.

**A11. Earnings per share**

**A11.1. Basic earnings per share**

The calculation of basic earnings per share for the financial period is based on the net profit attributable to owners of the Company and divided by the weighted average number of ordinary shares outstanding during the financial period.

	<b>Current year quarter 31 Mar 2022</b>	<b>Preceding year corresponding quarter 31 Mar 2021</b>	<b>Current Period 31 Mar 2022</b>	<b>Preceding year corresponding period 31 Mar 2021</b>
Profit attributable to owners of the Company (RM'000)	6,522	14,334	27,489	37,459
Weighted average number of ordinary shares outstanding ('000)	952,057	952,066	952,057	952,066
<b>Basic earnings per share (Sen)</b>	<b>0.69</b>	<b>1.51</b>	<b>2.89</b>	<b>3.93</b>

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

## A11. Earnings per share (Continued)

### A11.2. Diluted earnings per share

Diluted earnings per share has been calculated by dividing the Group’s profit after tax attributable to owners of the Company by the weighted average number of shares that would have been in issue upon full exercise of the Warrants, adjusted for the number of such shares that would have been issued at fair value.

	<b>Current year quarter 31 Mar 2022</b>	<b>Preceding year corresponding quarter 31 Mar 2021</b>	<b>Current Period 31 Mar 2022</b>	<b>Preceding year corresponding period 31 Mar 2021</b>
Profit attributable to owners of the Company (RM’000)	6,522	14,334	27,489	37,459
Weighted average number of ordinary shares outstanding for basic earnings per ordinary shares (’000)	952,057	952,066	952,057	952,066
Effect of potential exercise of Warrants (’000)	23,991	-	23,991	-
Weighted average number of ordinary shares outstanding (’000)	976,048	952,066	976,048	952,066
<b>Diluted earnings per share (Sen)</b>	<b>0.67</b>	<b>1.51</b>	<b>2.82</b>	<b>3.93</b>

For comparative purpose, the basic and diluted earnings per share for the quarter and the preceding year to date ended 31 March 2021 had been adjusted to reflect the bonus issue of 8 new ordinary shares for every 2 existing ordinary shares held which was completed on 21 December 2021.

## A12. Property, plant and equipment

During the current financial period, the Group acquired property, plant and equipment amounting to RM32.3 million, of which RM27.4 million is pertaining to the addition of 20MW Large Scale Photovoltaic Power Plant in Bavet City, Cambodia and the remaining is pertaining to the purchase of computers and motor vehicles.

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

### A13. Contract assets

	Unaudited as at 31 Mar 2022 RM'000	Audited as at 30 June 2021 RM'000
<b>Contract assets</b>		
Contract assets from a customer on concession arrangement	532,720	532,455
Contract assets from customers on construction contracts	1,518,981	1,358,763
	2,051,701	1,891,218
Presented as:		
Non-current	930,960	956,577
Current	1,120,741	934,641
	2,051,701	1,891,218
<b>Contract liabilities</b>		
Contract liabilities from customers on construction contracts	-	3,089

### A14. Trade receivables

The trade receivables of the Group were as follows:

	Unaudited as at 31 Mar 2022 RM'000	Audited as at 30 June 2021 RM'000
Trade receivables	66,670	97,502
Retention sums on contracts	134,154	119,734
	200,824	217,236

### A15. Cash and bank balances

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

	Unaudited as at 31 Mar 2022 RM'000	Unaudited as at 31 Mar 2021 RM'000
Cash and bank balances	147,130	175,947
Fixed deposits with licensed institutions	41,348	9,925
Bank overdrafts	(33,900)	(13,721)
	154,578	172,151
Less: Fixed deposits and bank balances pledged to financial institutions	(91,498)	(58,209)
	63,080	113,942

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

**A16. Borrowings and debts securities**

Total borrowings of the Group were as follows:

	Unaudited as at 31 Mar 2022 RM'000	Audited as at 30 June 2021 RM'000
<b>Non-current liabilities</b>		
Secured:		
Lease liabilities	10,585	10,964
Term loans	761,131	757,857
	<b>771,716</b>	<b>768,821</b>
<b>Current liabilities</b>		
Secured:		
Lease liabilities	2,124	2,033
Term loans	119,266	98,132
Bank overdrafts	33,900	27,629
Banker acceptances	41,624	39,873
Trust receipts	114,967	146,022
Revolving credit	184,919	180,210
	<b>496,800</b>	<b>493,899</b>
	<b>1,268,516</b>	<b>1,262,720</b>

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

	Unaudited as at 31 Mar 2022 RM'000	Audited as at 30 June 2021 RM'000
Ringgit Malaysia	344,266	400,764
United States Dollar	904,133	858,075
Chinese Renminbi	11,669	-
Euro	8,448	3,881
	<b>1,268,516</b>	<b>1,262,720</b>

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

**A17. Material event subsequent to the end of interim period reported**

There was no material event subsequent to the end of the financial period.

**A18. Financial guarantees**

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

	<b>Unaudited as at 31 Mar 2022 RM'000</b>	<b>Audited as at 30 June 2021 RM'000</b>
Secured facilities outstanding as at:		
Lease liabilities of the Group	12,709	12,997
Loan and borrowings of subsidiaries	1,222,532	1,199,034

The corporate guarantees do not have a determinable effect on the terms of the credit facilities due to banks, financial institutions and suppliers requiring parent guarantees as a pre-condition for approving the credit facilities granted to the subsidiaries. The actual terms of the credit facilities are likely to be the best indicator of “at market” terms and hence the fair value of the credit facilities is equal to the credit facilities amount received by the subsidiaries. As such, there is no value on corporate guarantee to be recognised in the financial statements.

**A19. Capital commitments**

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

	<b>Unaudited as at 31 Mar 2022 RM'000</b>	<b>Audited as at 30 June 2021 RM'000</b>
Approved and contracted for:		
Acquisition of a motor vehicle	-	2,406
Acquisition of a land	6,381	6,808

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

**A20. Significant related party transactions**

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

	<b>Unaudited as at 31 Mar 2022 RM'000</b>	<b>Audited as at 30 June 2021 RM'000</b>
Related parties by virtue of common directors and key senior management:		
Sales	162	-
Purchased of material and services rendered	6,751	10,808

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

	<b>Current year quarter 31 Mar 2022 RM'000</b>	<b>Preceding year corresponding quarter 31 Mar 2021 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	192,634	230,030	(37,396)	-16%
Profit before tax ("PBT")	12,492	22,721	(10,229)	-45%
PBT margin	6%	10%		
Profit after tax ("PAT")	10,584	19,530	(8,946)	-46%
PAT margin	5%	8%		

The Group registered a revenue of RM192.6 million for the current quarter under review as compared to RM230.0 million for the preceding year corresponding quarter. The revenue of the Group reflects the stage of completion for various projects during the quarter under review. The Group registered a lower revenue mainly due to lower contribution from the Rail Division as most of the current active projects are at their tail end and the new ones are at the beginning stage as of 31 March 2022. The gross profit margin of the quarter compared to preceding year corresponding quarter maintain as about 16%.

The Group PBT margin for the quarter under review and preceding year corresponding quarter were 6% and 10% respectively. The Group's lower PBT was in line with the lower revenue contribution during the quarter.

The PAT margin for the quarter under review and preceding year corresponding quarter were 5% and 8% respectively.

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

	<b>Current year quarter 31 Mar 2022 RM'000</b>	<b>Immediate preceding quarter 31 Dec 2021 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	192,634	182,535	10,099	6%
Profit before tax ("PBT")	12,492	14,386	(1,894)	-13%
PBT margin	6%	8%		
Profit after tax ("PAT")	10,584	15,753	(5,169)	-33%
PAT margin	5%	9%		

The Group recorded revenue of RM192.6 million for the current quarter under review as compared to RM182.5 million for the immediate preceding quarter. The revenue of the Group reflects the stage of completion for various projects during the quarter under review.

The PBT margin for the quarter under review and immediate preceding quarter were 6% and 8% respectively. Lower PBT in the current quarter as compared to immediate preceding quarter was a result of lower gross profit margin in the current quarter (Q3 FY2022: 16%; Q2 FY2022: 18%) contributed mainly by the increase in international logistics cost for equipment delivery cost for various projects. The weakening of Ringgit Malaysia during the quarter had also impacted the registered PBT. On top of that, other operating expenses were higher during the quarter under review as compared to immediate preceding period due to expenses relating to the Group's corporate exercises.

The PAT margin for the quarter under review and immediate preceding quarter were 5% and 9% respectively.

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

## B2. Profit before tax

Included in the profit before tax are the following items:

	Current year quarter 31 Mar 2022 RM'000	Preceding year corresponding quarter 31 Mar 2021 RM'000	Current period 31 Mar 2022 RM'000	Preceding year corresponding period 31 Mar 2021 RM'000
Amortisation of intangible assets	1,040	1,512	3,099	4,104
Amortisation of unwinding discount of financial liability	415	1,504	1,226	4,484
Depreciation of property, plant and equipment	3,652	3,230	9,753	8,896
Fair value (gain)/loss on derivative financial instruments	(739)	2,860	1,156	946
(Gain)/loss on disposal of property, plant and equipment	(72)	10	(230)	-
Interest expense	15,306	12,103	46,348	38,403
Interest income	(111)	141	(336)	(259)
Finance income arising from concession assets	(11,399)	(10,994)	(33,736)	(33,498)
Finance income arising from contract assets	(2,935)	(1,323)	(8,992)	(1,323)
Unrealised (gain)/loss on foreign exchange	(2,336)	(11,317)	(381)	3,976

## B3. Prospects

The Group continues its progress into the final quarter of financial year 2022 focusing on executing orders in hand, which sums up to over RM1.9 billion as at 31 March 2022 plus long term operation and maintenance contracts of RM998 million. Our perseverance in delivering progress of our contracts will be able to provide a reassuring level of positive results for at least a couple of financial years ahead.

In the meantime, our team seek to further fortify our market presence in Malaysia, Cambodia, and the Philippines, through deepening and widening of market participation, thus diversifying the potential income stream for future growth prospects.

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

### **B3. Prospects (Continued)**

PESTECH is also pursuing growth in the sustainable development area through collaboration with various technology partners in the provision of renewable energy initiatives, such as offgrid autonomous renewable energy system, green hydrogen production, and waste to hydrogen solution, in order to spearhead the next roadmap for sustainable business advancement in line with our Group's new tagline of Energising Growth Sustainably.

Supported by firm orders in hand, together with a visionary sustainable development plan, the management is confident in delivering long term positive value to its shareholders.

### **B4. Profit forecast and profit guarantee**

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

### **B5. Corporate Proposal**

On 14 February 2022, the Company announced that Bursa Securities has, vide its letter dated 11 February 2022, resolved to approve the listing of and quotation for up to 105,051,200 new PESTECH Shares to be issued pursuant to the Proposed Private Placement.

The approval granted by Bursa Securities is subject to the following conditions:

- (i) PESTECH and Affin Hwang IB must fully comply with the relevant provisions under the Main Market Listing Requirements of Bursa Securities pertaining to the implementation of the Proposed Private Placement;
- (ii) PESTECH and Affin Hwang IB to inform Bursa Securities upon completion of the Proposed Private Placement; and
- (iii) PESTECH and Affin Hwang IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed.

On 23 March 2022, 36,854,600 new ordinary shares ("Placement Shares"), being first tranche of Placement Shares were issued at RM0.55 each.

**PART B : ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)****B6. Status of Utilisation of Proceeds Raised from Private Placement**

The actual utilisation of the total gross proceeds of RM20,270,030 raised from the Private Placement on 23 March 2022 were as below:

Purpose	As of 31 Mar 2022			Intended timeframe for utilisation
	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Proceeds RM'000	
Working capital	19,982	2,480*	17,502	12 months
Estimated expenses in relation to the Private Placement	288	256	32	6 months
	20,270	2,736	17,534	

\* The utilisation of the proceeds from the Private Placement amounting to RM2.48mil is solely for MRT2 Project.

**B7. Material litigation**

There were no material litigations as at the date of issuance of this quarterly report.

**B8. Dividends**

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

**B9. Auditors' report**

There were no qualifications to the audited financial statements of PESTECH Group for previous financial year ended 30 June 2021.

**B10. Authorisation for issue**

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