

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2020

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30-Jun-20 RM'000	Preceding year corresponding quarter 30-Jun-19 RM'000	Unaudited Current year to date 30-Jun-20 RM'000	Audited Preceding year to date 30-Jun-19 RM'000
Revenue	200,264	285,257	797,295	811,476
Operating expenses	(175,943)	(237,580)	(704,984)	(722,050)
Other operating income	3,343	3,388	3,822	10,109
Other gains and (losses)	1,276	(3,622)	363	11,582
Operating profit	28,940	47,443	96,496	111,117
Share of (loss)/profit of equity-accounted associate	(52)	-	176	152
Profit before interest and tax	28,888	47,443	96,672	111,269
Finance income	11,620	9,768	44,604	40,078
Finance costs	(14,800)	(15,675)	(57,832)	(53,166)
Profit before tax	25,708	41,536	83,444	98,181
Income tax expense	(4,447)	(5,225)	(15,249)	(11,506)
Profit for the period/year	21,261	36,311	68,195	86,675
Other comprehensive (loss)/income:				
Exchange translation differences	(2,906)	2,660	15,697	11,174
Fair value loss on cash flow hedge	(2,525)	(7,528)	(33,310)	(7,528)
Total comprehensive income for the period/year	15,830	31,443	50,582	90,321
Profit for the period/year attributable to:				
Owners of the Company	15,826	34,216	55,112	78,972
Non-controlling interests	5,435	2,095	13,083	7,703
	21,261	36,311	68,195	86,675
Total comprehensive income attributable to:				
Owners of the Company	11,716	28,069	38,856	80,086
Non-controlling interests	4,114	3,374	11,726	10,235
	15,830	31,443	50,582	90,321
EBITDA	35,656	50,377	114,114	123,116
Earnings per share				
- Basic (Sen)	2.07	4.48	7.21	10.33

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 2019.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2020**

	Note	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		143,461	91,418
Intangible assets		83,946	87,273
Investment in an associated company		637	461
Derivative financial instruments		-	7,211
Contract assets	A13	480,126	461,902
Total non-current assets		708,170	648,265
Current assets			
Contract assets	A13	1,341,570	996,597
Inventories		35,648	14,133
Trade receivables	A14	176,931	198,142
Other receivables, deposits and prepayments		64,829	45,794
Tax recoverable		17,446	18,045
Fixed deposits with licensed institutions		5,152	8,046
Cash and bank balances		91,876	158,523
Total current assets		1,733,452	1,439,280
Total assets		2,441,622	2,087,545

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2020 (CONT'D)**

	Note	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share capital		212,672	212,672
Reserves		(50,957)	(33,783)
Retained earnings		357,815	302,703
		519,530	481,592
Non-controlling interests		91,023	79,297
Total equity		610,553	560,889
LIABILITIES			
Non-current liabilities			
Derivative financial liabilities		42,386	7,540
Finance lease liabilities	A16	2,975	4,922
Loans and borrowings	A16	698,811	662,276
Deferred tax liabilities		336	336
Trade payables		22,051	66,485
Total non-current liabilities		766,559	741,559
Current liabilities			
Contract liabilities	A13	-	393
Trade payables		523,201	371,656
Other payables and accruals		24,594	31,456
Finance lease liabilities	A16	2,892	1,671
Loans and borrowings	A16	498,367	367,690
Tax payable		15,456	12,231
Total current liabilities		1,064,510	785,097
Total liabilities		1,831,069	1,526,656
Total equity and liabilities		2,441,622	2,087,545
Net assets per share (Sen)		79.92	73.39

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 2019.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2020

	Attributable to owners of the Company							Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Distributable		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			
At 1 July 2019	212,672	-	(7,528)	(1,652)	8,534	(33,137)	302,703	481,592	79,297	560,889
Profit for the financial year	-	-	-	-	-	-	55,112	55,112	13,083	68,195
Other comprehensive loss for the financial year	-	-	(27,026)	10,770	-	-	-	(16,256)	(1,357)	(17,613)
Total comprehensive income for the financial year	-	-	(27,026)	10,770	-	-	55,112	38,856	11,726	50,582
Transaction with owners:										
Treasury shares acquired	-	(918)	-	-	-	-	-	(918)	-	(918)
At 30 June 2020	212,672	(918)	(34,554)	9,118	8,534	(33,137)	357,815	519,530	91,023	610,553

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND YEAR ENDED 30 JUNE 2020
(CONT'D)**

	← Attributable to owners of the Company →						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	← Non-distributable →			Distributable					
	Share capital RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Capital reserve RM'000	Merger reserve RM'000	Retained earnings RM'000			
At 1 July 2018	212,672	-	(10,294)	8,534	(33,137)	223,731	401,506	69,062	470,568
Profit for the financial year	-	-	-	-	-	78,972	78,972	7,703	86,675
Other comprehensive income for the financial year	-	(7,528)	8,642	-	-	-	1,114	2,532	3,646
Total comprehensive income for the financial year	-	(7,528)	8,642	-	-	78,972	80,086	10,235	90,321
At 30 June 2019	212,672	(7,528)	(1,652)	8,534	(33,137)	302,703	481,592	79,297	560,889

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 2019.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Unaudited 30-Jun-20 RM'000	Audited 30-Jun-19 RM'000
OPERATING ACTIVITIES		
Profit before tax	83,444	98,181
Adjustments for:		
Amortisation of intangible assets	6,105	5,123
Unwinding discount of financial liability	(3,203)	(8,543)
Depreciation of property, plant and equipment	11,337	6,724
Fair value loss/(gain) on derivative financial instruments	8,060	(2,060)
Gain on disposal of property, plant and equipment	(21)	(933)
Interest expense	53,605	53,166
Interest income	(677)	(388)
Finance income arising from concession assets	(43,927)	(39,690)
Share of profit of equity-accounted associate	(176)	(152)
Unrealised gain on foreign exchange	(7,159)	(8,243)
Operating profit before working capital changes	107,388	103,185
Changes in working capital:		
Inventories	(21,515)	19,751
Receivables	2,256	(82,105)
Payables	110,533	50,211
Contract customers	(301,189)	(260,614)
Cash used in operations	(102,527)	(169,572)
Interest received	677	388
Interest paid	(53,605)	(53,166)
Tax refunded	-	328
Tax paid	(11,425)	(17,738)
Net cash used in operating activities	(166,880)	(239,760)
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	63	933
Proceeds from utilisation of derivative financial instruments	699	8,323
Purchase of property, plant and equipment*	(62,187)	(7,669)
Repayment from related companies	-	81
Net cash (used in)/generated from investing activities	(61,425)	1,668

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020 (CONT'D)

	Unaudited 30-Jun-20 RM'000	Audited 30-Jun-19 RM'000
FINANCING ACTIVITIES		
Repayment to Directors	-	(31)
Treasury shares acquired	(918)	-
Drawdown from borrowings	625,971	311,435
Repayment of borrowings	(501,933)	(35,293)
Net cash generated from financing activities	123,120	276,111
CASH AND CASH EQUIVALENTS		
Net changes	(105,185)	38,019
Cash and cash equivalents at beginning of the year	147,820	108,859
Effect of foreign exchange translation	11,743	942
Cash and cash equivalents at end of the year	54,378	147,820

*Property, plant and equipment

	30-Jun-20 RM'000	30-Jun-19 RM'000
Cash payments	62,187	7,669
Finance by way of finance lease arrangements	-	4,858
Purchase of property, plant and equipment	62,187	12,527

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 2019.

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 2019.

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 2019.

The accounting policies and methods of computation adopted by the Company in this condensed financial report are consistent with those adopted in the most recent annual financial report for the year ended 30 June 2019, except for the adoption of the following:

MFRS, Amendments to MFRSs and IC Interpretation effective 1 January 2019:

MFRS 16	Leases
Amendments to MFRS 9*	Financial Instruments: Prepayment Feature with Negative Compensation
Amendments to MFRS 119*#	Post-employment Benefits: Defined Benefits Plans
Amendments to MFRS 128*	Investment in Associates and Joint Ventures: Long Term Interest in Associates and Joint Ventures
IC Interpretation 23*	Uncertainty over Income Tax Treatments
Annual Improvements to MFRS Standards 2015 – 2017 Cycle *	

Initial application of the MFRS, amendments to MFRSs and IC Interpretation did not have material impact to the financial statements.

At the date of authorisation of the condensed financial report, the following new MFRS, amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group:

Amendments to MFRSs effective 1 January 2020:

Amendments to MFRS 3*	Definition of a Business
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 7, 9 and 139	Investment Rate Benchmark Reform
Amendments to References to the Conceptual Framework in MFRS Standards	

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)

Amendments to MFRS effective 1 June 2020:

Amendment to MFRS 16 Leases Covid-19-Related Rent Concessions

MFRS effective 1 January 2021:

MFRS 17*# Insurance Contracts

Amendments to MFRSs effective 1 January 2022:

Amendments to MFRS 3* Reference to the Conceptual Framework

Amendments to MFRS 101 Classification of Liabilities as Current or Non-current

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 2018-2020 (MFRS1, 9, 16 and 141)

Amendments to MFRSs - effective date deferred indefinitely:

Amendments to MFRS 10 and Consolidated Financial Statements and Investments in Associates and Joint
MFRS 128* Ventures: Sale or Contribution of Assets between an Investor and its
Associate or Joint Venture.

Not applicable to the Group's operations

* Not applicable to the Company's operation

The initial application of the above standards, amendments and interpretation 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 30 June 2020.

A4. Material changes in estimates

There were no changes in estimates of amounts reported in previous financial year that have had a material effect for the current financial quarter ended 30 June 2020.

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

A5. Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities during the current financial quarter ended 30 June 2020.

A6. Dividends paid

There were no dividends paid during the current financial quarter ended 30 June 2020.

A7. Changes in composition of the Group

There were no changes in the composition of the Group for the current financial quarter ended 30 June 2020 except for the following:

On 8 April 2020, ODM Power Line Company Limited ("ODMPL"), a 70% owned subsidiary of PESTECH Power Sdn. Bhd. ("PPW") was incorporated. As a result, ODMPL become an indirect 70% owned subsidiary of the Company.

A8. Valuation of property, plant and equipment

There were no valuation of property, plant and equipment for the current financial quarter ended 30 June 2020.

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 their products and services, which comprises the following:

	←	Results for the quarter ended 30 June 2020			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	196,087	4,177	-	200,264
Inter-segment	274	43,604	4,784	(48,662)	-
Total revenue	274	239,691	8,961	(48,662)	200,264
Finance income	-	11,620	-	-	11,620
Finance costs	(402)	(14,098)	(300)	-	(14,800)
Net finance expenses	(402)	(2,478)	(300)	-	(3,180)
Segment profit/ (loss) before tax	(4,747)	38,047	(6,704)	(888)	25,708
Segment profit/ (loss) after tax	(4,747)	33,395	(6,499)	(888)	21,261
	←	Results for the quarter ended 30 June 2019			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	280,558	4,699	-	285,257
Inter-segment	1,291	215,468	14,349	(231,108)	-
Total revenue	1,291	496,026	19,048	(231,108)	285,257
Finance income	-	9,768	-	-	9,768
Finance costs	-	(15,624)	(51)	-	(15,675)
Net finance expenses	-	(5,856)	(51)	-	(5,907)
Segment profit/ (loss) before tax	1,519	18,172	1,602	20,243	41,536
Segment profit/ (loss) after tax	1,519	12,947	1,602	20,243	36,311

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

	←	Results for the year ended 30 June 2020			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	785,355	11,940	-	797,295
Inter-segment	4,223	230,938	24,888	(260,049)	-
Total revenue	4,223	1,016,293	36,828	(260,049)	797,295
Finance income	-	44,604	-	-	44,604
Finance costs	(1,647)	(55,667)	(518)	-	(57,832)
Net finance expenses	(1,647)	(11,063)	(518)	-	(13,228)
Segment profit/ (loss) before tax	(832)	88,807	(8,233)	3,702	83,444
Segment profit/ (loss) after tax	(864)	73,385	(8,028)	3,702	68,195
	←	Results for the year ended 30 June 2019			→
	Investment RM'000	Project RM'000	Product RM'000	Elimination RM'000	Total RM'000
Revenue					
External	-	794,711	16,765	-	811,476
Inter-segment	13,612	367,642	27,617	(408,871)	-
Total revenue	13,612	1,162,353	44,382	(408,871)	811,476
Finance income	-	40,078	-	-	40,078
Finance costs	(4,656)	(53,860)	(253)	5,603	(53,166)
Net finance income/ expenses	(4,656)	(13,782)	(253)	5,603	(13,088)
Segment profit/ (loss) before tax	(7,977)	106,578	1,570	(1,990)	98,181
Segment profit/ (loss) after tax	(7,977)	95,072	1,570	(1,990)	86,675

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

A10. Income tax expense

	Current year quarter 30-Jun-20 RM'000	Preceding year corresponding quarter 30-Jun-19 RM'000	Unaudited Current year to date 30-Jun-20 RM'000	Audited Preceding year to date 30-Jun-19 RM'000
Tax expenses	(4,447)	(5,225)	(15,249)	(11,506)

Income tax is calculated at Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the financial period.

Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

A11. Earnings per share

A11.1. Basic earnings per share

The calculation of basic earnings per share for the financial period/year 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/year.

	Current year quarter 30-Jun-20	Preceding year corresponding quarter 30-Jun-19	Unaudited Current year to date 30-Jun-20	Audited Preceding year to date 30-Jun-19
Profit attributable to owners of the Company (RM'000)	15,826	34,216	55,112	78,972
Weighted average number of ordinary shares outstanding ('000)	763,984	764,294	763,984	764,294
Basic earnings per share (Sen)	2.07	4.48	7.21	10.33

A11.2. Diluted earnings per share

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the financial period under review.

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

A12. Property, plant and equipment

During the current financial quarter ended 30 June 2020, the Group acquired assets at a cost of RM51.6 million.

A13. Contract assets

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Contract assets		
Contract assets from a customer on concession arrangement	545,826	512,537
Contract assets from customers on construction contracts	1,275,870	945,962
	1,821,696	1,458,499
Presented by:		
Non-current	480,126	461,902
Current	1,341,570	996,597
	1,821,696	1,458,499
Contract liabilities		
Contract liabilities from customers on construction contracts	-	393

A14. Trade receivables

The trade receivables of the Group were as follows:

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Trade receivables	74,600	117,183
Retention sums on contracts	102,331	80,959
	176,931	198,142

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

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 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Cash and bank balances	91,876	158,523
Short-term deposits with licensed institutions	5,152	8,046
Bank overdrafts	(42,650)	(18,749)
	54,378	147,820

A16. Borrowings and debts securities

Total borrowings of the Group were as follows:

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Non-current liabilities		
Secured:		
Finance lease liabilities	2,975	4,922
Term loans	698,811	662,276
	701,786	667,198
Current liabilities		
Secured:		
Finance lease liabilities	2,892	1,671
Term loans	54,472	28,640
Bank overdrafts	42,650	18,749
Banker acceptances	30,101	50,736
Trust receipts	191,993	126,585
Revolving credit	179,151	142,980
	501,259	369,361
	1,203,045	1,036,559

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

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Ringgit Malaysia	430,242	353,137
United States Dollar	770,615	681,748
Euro	2,188	1,674
	1,203,045	1,036,559

PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING**A17. Material event subsequent to the end of financial period reported**

On 7 July 2020, the Group announced the proposed issuance of Perpetual Islamic Notes under a Perpetual Islamic Notes Issuance Programme of up to RM1.0 billion (RM1,000,000,000.00) in nominal value under the Shariah Principle of Musharakah ("Perpetual Sukuk Musharakah Programme"). The proceeds raised from the issuance of Perpetual Sukuk Musharakah Programme shall be utilised by the Group for the following Shariah-compliant purposes: (i) refinancing of existing financing or borrowings; (ii) capital expenditure; (iii) working capital; (iv) general corporate purpose; and/or (v) defray fees, costs and expenses in relation to the issuance of Perpetual Sukuk Programme.

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 year were as follows:

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Secured outstanding as at:		
Finance lease liabilities of the Group	5,867	6,593
Loan and borrowings of subsidiaries	1,197,178	1,029,966

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

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

A19. Capital commitments

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

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Acquisition of a subsidiary	15,417	-

A20. Significant related party transactions

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

	Unaudited as at 30-Jun-20 RM'000	Audited as at 30-Jun-19 RM'000
Related companies by virtue of common directors and key senior management: Purchased of material and services rendered	17,368	18,160

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

	Current year quarter 30-Jun-20 RM'000	Preceding year corresponding quarter 30-Jun-19 RM'000	Changes	
			RM'000	%
Revenue	200,264	285,257	(84,993)	-30%
Profit before tax ("PBT")	25,708	41,536	(15,828)	-38%
Profit after tax ("PAT")	21,261	36,311	(15,050)	-41%

The Group registered a revenue of RM200.3 million for current quarter under review as compared to RM285.3 million for the preceding year corresponding quarter. The Group revenue reflects the stage of projects completion during the quarter under review.

During the current financial quarter, revenue for Project segment was recorded at RM196.1 million as compared to RM280.6 million in the preceding year corresponding financial quarter. The performance was slightly affected by Covid-19 lockdown. As of 30 June 2020, our order book balance stood at RM1.67 billion, which will be realised progressively over the contract periods.

The Group recorded profit before tax of RM25.7 million as compared to RM41.5 million for the preceding year corresponding quarter. The profit before tax is affected by the finance costs of the completed projects without corresponding finance income for those projects. The finance income for those completed projects will commence only from FY2021. The PBT margin for the quarter under review was 13% which is lower as compared to the PBT margin for the preceding year corresponding quarter of 15%.

The Group recorded profit after tax of RM21.3 million as compared to RM36.3 million for the preceding year corresponding quarter. The PAT margin for the quarter under review was 11% as compared to the PAT margin for the preceding year corresponding quarter of 13%. Depending on the chargeable income of the respective subsidiaries, tax is higher in terms of percentage against the profit before tax of the Group.

**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**

	Current year quarter 30-Jun-20 RM'000	Immediate preceding quarter 31-Mar-20 RM'000	Changes	
			RM'000	%
Revenue	200,264	218,812	(18,548)	-8%
Profit before tax ("PBT")	25,708	16,445	9,263	56%
Profit after tax ("PAT")	21,261	14,495	6,766	47%

The Group recorded revenue of RM200.3 million for current quarter under review as compared to RM218.8 million for the immediate preceding quarter.

Profit before tax for the current quarter under review was recorded at RM25.7 million as compared to RM16.4 million for the immediate preceding quarter. The PBT margin for the quarter under review and immediate preceding quarter were 13% and 8% respectively. The PBT margin is higher mainly attributable to the inception of revenue recognition of our newly procured Built Transferred project in Cambodia, in accordance to MFRS 15 Revenue from Contracts with Customers.

The Group recorded profit after tax of RM21.3 million as compared to RM14.5 million for the immediate preceding quarter. The PAT margin for the quarter under review and immediate preceding quarter were 11% and 7% 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 30-Jun-20 RM'000	Preceding year corresponding quarter 30-Jun-19 RM'000	Current year to date 30-Jun-20 RM'000	Audited Preceding year to date 30-Jun-19 RM'000
Amortisation of intangible assets	2,315	1,130	6,105	5,123
Amortisation of unwinding discount of financial liability	1,087	382	4,227	1,482
Depreciation of property, plant and equipment	4,453	1,804	11,337	6,724
Fair value loss/(gain) on derivative financial instruments	1,549	180	8,060	(2,060)
Gain on disposal of property, plant and equipment	-	(88)	(21)	(933)
Interest expense	13,713	17,128	53,605	53,166
Interest income	(331)	(130)	(677)	(388)
Finance income arising from concession assets	(11,289)	(9,319)	(43,927)	(39,690)
Unrealised gain on foreign exchange	(718)	(1,188)	(7,159)	(8,243)

B3. Prospects

The second half of the FY2020 had been a challenging period globally due to the COVID-19 outbreak. This challenge sprouting from basic human interactional and logistic restrictions proved to be even more severe and far reaching than the financial crisis in 2007-2008.

Albeit the unprecedented circumstance that has been laid down in our path, PESTECH managed to persevere and soldier on with cushioned impact in the short term. As such, the impacted results of the last 2 quarters in FY2020 didn't manage to reinforce the results of the first 2 quarters in FY2020.

However, the management is relieved that the Group has ample outstanding order book of RM1.67 billion as at 30 June 2020, which will be able to sustain the long term business growth of the Group for at least the next 2 financial years. In the midst of this pandemic phenomenon, PESTECH has proven its resilience in order book replenishment with the successful procurement of the development of 230 kV Transmission Line from Oddor Meanchey to East Siem Reap Grid Substation on a Build-Transfer basis with a total committed payment from Electricite du Cambodge of USD110 million.

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

B3. Prospects (Continued)

Amid the execution of existing rail electrification works that we have procured, the Group is also actively participating in the upcoming tenders or regional rail electrification projects in Malaysia, the Philippines, and Thailand, in particular. The Group envisaged regional rail electrification to be one of the more prominent growth contributors to PESTECH as we successfully built the necessary track records for double track, and urban rail in Malaysia.

As we continue our effort in the development of major power infrastructure projects, we are also cognisant of certain underserved communities in countries where the supply of power has not been able to find its way to these people. In order to assist in the social development of such communities, PESTECH is now actively introducing our offgrid autonomous power supply system to these communities with the help of local government bodies and development funds. There is a vast opportunity to offer our renewable, and self sustainable power supply solution to these people, which can bring better living standards and help modernize their household wellbeing. Each of these projects could be relatively small, but we aim to implement the project in a sizable manner for economies of scale and greater impact towards the offgrid community we serve.

In that regard, the management remains upbeat on the prospect of the Group going forward, with efforts focusing on ensuring long term growth in the region.”

B4. Profit forecast and profit guarantee

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

B5. Material litigation

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

B6. Dividends

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

B7. Auditors' report

There were no qualifications to the audited financial statements of PESTECH Group for previous financial year ended 30 June 2019.

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

B8. Status of corporate proposal

The listing of PESTECH (Cambodia) PLC ("PCL"), a wholly-owned subsidiary of the Company has been completed on 12 August 2020 following the listing of and quotation for PCL's entire enlarged issued and fully paid share capital on the Main Board of Cambodia Securities Exchange.

B9. Authorisation for issue

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