


# Quarterly rpt on consolidated results for the financial period ended 31 Dec 2019

## PUNCAK NIAGA HOLDINGS BERHAD

Financial Year End	31 Dec 2019
Quarter	4 Qtr
Quarterly report for the financial period ended	31 Dec 2019
The figures	have not been audited

### Attachments

 [PNHB - Q4 2019.pdf](#)  
551.6 kB

Default Currency

Other Currency

Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 31 Dec 2019

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
		\$\$'000	\$\$'000	\$\$'000	\$\$'000
1	Revenue	142,320	71,769	474,720	230,466
2	Profit/(loss) before tax	-9,009	-76,720	-57,290	-119,064
3	Profit/(loss) for the period	-7,626	-129,466	-62,126	-176,050
4	Profit/(loss) attributable to ordinary equity holders of the parent	-6,986	-125,404	-57,216	-169,662
5	Basic earnings/(loss) per share (Subunit)	-1.56	-28.04	-12.79	-37.93
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.50
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent (\$\$)		2.9200		3.0500

Definition of Subunit:

*In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:*

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

 **Announcement Info**

<b>Company Name</b>	PUNCAK NIAGA HOLDINGS BERHAD
<b>Stock Name</b>	PUNCAK
<b>Date Announced</b>	27 Feb 2020
<b>Category</b>	Financial Results
<b>Reference Number</b>	FRA-26022020-00099

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2019**  
**Condensed Consolidated Statement of Profit or Loss**

	<i>Note</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year	Preceding Year	Current Year	Preceding Year
		Quarter	Corresponding	Quarter	Quarter
		3 months ended	3 months ended	12 months ended	12 months ended
		31.12.2019	31.12.2018	31.12.2019	31.12.2018
		RM'000	RM'000	RM'000	RM'000
		Unaudited	Audited	Unaudited	Audited
Revenue	A14(a)	142,320	71,769	474,720	230,466
Other income		8,539	5,862	30,117	47,867
Operating costs		(134,297)	(111,903)	(485,277)	(343,828)
Reversal for foreseeable losses		(2,304)	(21,120)	23,358	7,101
Depreciation and amortisation expenses		(3,989)	(4,855)	(24,983)	(20,913)
Profit/(Loss) from operations		10,269	(60,247)	17,935	(79,307)
Finance costs		(19,256)	(16,439)	(75,032)	(39,661)
Share of results of equity accounted entities		(22)	(34)	(193)	(96)
Loss before tax	A9	(9,009)	(76,720)	(57,290)	(119,064)
Taxation expense	B5	1,383	(52,746)	(4,836)	(56,986)
<b>Loss after tax</b>		<b>(7,626)</b>	<b>(129,466)</b>	<b>(62,126)</b>	<b>(176,050)</b>
<b>Attributable to:</b>					
Owners of the parent		(6,986)	(125,404)	(57,216)	(169,662)
Non-controlling interests		(640)	(4,062)	(4,910)	(6,388)
Loss after tax		(7,626)	(129,466)	(62,126)	(176,050)
		sen	sen	sen	sen
<b>Basic loss per share attributable to owners of the parent:</b>	B11	<b>(1.56)</b>	<b>(28.04)</b>	<b>(12.79)</b>	<b>(37.93)</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 2018 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2019**  
**Condensed Consolidated Statement of Other Comprehensive Income**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding		
	Quarter		Quarter	
	3 months ended		12 months ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
	Unaudited	Audited	Unaudited	Audited
Loss after tax	(7,626)	(129,466)	(62,126)	(176,050)
<b>Other comprehensive income:</b>				
<b>Items that may be subsequently reclassified to profit or loss</b>				
Foreign currency translation	2	(491)	1,482	(429)
Other reserves	2	-	(5)	-
<b>Total comprehensive expense for the period</b>	<b>(7,622)</b>	<b>(129,957)</b>	<b>(60,649)</b>	<b>(176,479)</b>
<b>Total comprehensive expense attributable to:</b>				
Owners of the parent	(6,982)	(125,895)	(55,739)	(170,091)
Non-controlling interests	(640)	(4,062)	(4,910)	(6,388)
	<b>(7,622)</b>	<b>(129,957)</b>	<b>(60,649)</b>	<b>(176,479)</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 2018 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2019**  
**Condensed Consolidated Statement of Financial Position**

	Note	As at 31.12.2019 RM'000 Unaudited	As at 31.12.2018 RM'000 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		510,956	527,427
Investment properties	A10	852,297	852,297
Bearer biological assets		311,504	305,470
Concession asset		5,768	6,168
Investment in associates		9	7
Other Investments		7,155	-
Deferred tax assets		25,062	29,328
Trade and other receivables		718,367	456,284
		<hr/>	<hr/>
		2,431,118	2,176,981
<b>Current assets</b>			
Inventories		3,637	5,273
Fresh fruits bunches		4,015	3,248
Contract assets		22,204	29,717
Contract costs		-	10,514
Trade and other receivables		88,659	120,425
Short-term investments		135,695	421,510
Tax recoverable		5,751	6,450
Cash and bank balances		443,752	298,752
		<hr/>	<hr/>
		703,713	895,889
<b>TOTAL ASSETS</b>			
		<hr/>	<hr/>
		3,134,831	3,072,870
<b>Equity and liabilities</b>			
<b>Equity attributable to equity owners of the company</b>			
Share capital		554,663	554,663
Reserves		758,084	813,823
Treasury shares		(5,941)	(5,941)
		<hr/>	<hr/>
<b>Shareholders' equity</b>		1,306,806	1,362,545
<b>Non-controlling interest</b>		33,727	38,112
		<hr/>	<hr/>
<b>Total equity</b>		1,340,533	1,400,657
<b>Non-current liabilities</b>			
Loans and borrowings	B7	1,053,262	950,375
Concession liability		110,190	114,896
Trade and other payables		10,000	10,000
Deferred tax liabilities		182,425	189,320
		<hr/>	<hr/>
		1,355,877	1,264,591
<b>Current liabilities</b>			
Loans and borrowings	B7	189,867	158,496
Trade and other payables		195,367	175,983
Contract liabilities		1,788	184
Provision for foreseeable loss		48,028	71,387
Tax payable		3,371	1,572
		<hr/>	<hr/>
		438,421	407,622
		<hr/>	<hr/>
<b>Total liabilities</b>		1,794,298	1,672,213
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<hr/>	<hr/>
		3,134,831	3,072,870
<b>Net assets per share attributable to owners of the parent (RM)</b>			
		<hr/>	<hr/>
		2.92	3.05

(The 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.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2019**  
**Condensed Consolidated Statement of Changes in Equity**

	←————— Attributable to Owners of the Parent —————→						Total	Non- controlling Interests	Total Equity
	←————— Non-distributable			—————→ Distributable					
	Share Capital	Treasury Shares	Foreign Currency Translation Reserves	Revaluation Reserves	Other Reserves	Retained Earnings			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>12 months period ended 31 December 2019</b>									
At 1 January 2019	554,663	(5,941)	(610)	125,531	(20,014)	708,916	1,362,545	38,112	1,400,657
Foreign currency translation	-	-	1,482	-	-	-	1,482	-	1,482
Net change in fair value of equity instrument designated at FVOCI	-	-	-	-	(5)	-	(5)	-	(5)
Total other comprehensive expense	-	-	1,482	-	(5)	-	1,477	-	1,477
Loss for the period	-	-	-	-	-	(57,216)	(57,216)	(4,910)	(62,126)
Total comprehensive expense	-	-	1,482	-	(5)	(57,216)	(55,739)	(4,910)	(60,649)
Subscription of shares by non-controlling interest in a subsidiary	-	-	-	-	-	-	-	525	525
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	-	-	525	525
<b>At 31 December 2019</b>	<b>554,663</b>	<b>(5,941)</b>	<b>872</b>	<b>125,531</b>	<b>(20,019)</b>	<b>651,700</b>	<b>1,306,806</b>	<b>33,727</b>	<b>1,340,533</b>
<b>12 months period ended 31 December 2018</b>									
At 1 January 2018, as previously stated	554,663	(5,941)	(181)	125,531	(20,014)	882,092	1,536,150	33,900	1,570,050
Adjustment on initial application of MFRS9, net of tax	-	-	-	-	-	(1,278)	(1,278)	-	(1,278)
<b>At 1 January 2018, restated</b>	<b>554,663</b>	<b>(5,941)</b>	<b>(181)</b>	<b>125,531</b>	<b>(20,014)</b>	<b>880,814</b>	<b>1,534,872</b>	<b>33,900</b>	<b>1,568,772</b>
Foreign currency translation	-	-	(429)	-	-	-	(429)	-	(429)
Total other comprehensive expense	-	-	(429)	-	-	-	(429)	-	(429)
Loss for the period	-	-	-	-	-	(169,662)	(169,662)	(6,388)	(176,050)
Total comprehensive expense	-	-	(429)	-	-	(169,662)	(170,091)	(6,388)	(176,479)
Subscription of shares by non-controlling interest in a subsidiary	-	-	-	-	-	-	-	10,600	10,600
Dividend paid	-	-	-	-	-	(2,236)	(2,236)	-	(2,236)
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	(2,236)	(2,236)	10,600	8,364
<b>At 31 December 2018</b>	<b>554,663</b>	<b>(5,941)</b>	<b>(610)</b>	<b>125,531</b>	<b>(20,014)</b>	<b>708,916</b>	<b>1,362,545</b>	<b>38,112</b>	<b>1,400,657</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 2018 and the accompanying explanatory notes attached to the interim financial statements.)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2019**  
**Condensed Consolidated Statement of Cash Flow**

	<b>12 months ended 31.12.2019</b>	<b>12 months ended 31.12.2018</b>
	RM'000	RM'000
	Unaudited	Audited
<b>Cash flow from operating activities</b>		
Receipts from customers	221,579	193,392
Other income	3,721	12,602
Payments for operating expenses	(101,160)	(208,671)
Payments to contractors	(323,032)	(194,178)
Cash used in operations	(198,892)	(196,855)
Tax paid	(4,964)	(3,378)
Interest received	26,040	18,601
Net cash used in operating activities	(177,816)	(181,632)
<b>Cash flow from investing activities</b>		
Net cash inflow from acquisition of a subsidiary	-	1,556
Acquisition of property, plant and equipment	(1,484)	(7,186)
Investment in other investments	(37,700)	-
Net advance to associate/joint venture	(195)	(237)
Additions of bearer biological assets	(8,858)	(13,847)
Net proceeds from short-term investments	285,814	250,424
Proceeds from disposal of property, plant and equipment	474	12,731
Net cash generated from investing activities	238,051	243,441
<b>Cash flow from financing activities</b>		
Proceeds from loans and borrowings	37,442	84,617
Non-controlling interest subscription of share capital in a subsidiary	-	10,600
Proceeds from issuance of bonds	171,746	-
Repayment of loans and borrowings	(45,305)	(59,749)
Repayment of obligations under finance leases	(3,713)	(3,688)
Dividend paid	-	(2,236)
Increase in pledged deposits	(39,989)	(1,108)
Finance cost	(75,681)	(41,083)
Net cash used in financing activities	44,500	(12,647)

**Puncak Niaga Holdings Berhad 199701000591 (416087-U)**  
**Unaudited Fourth Quarterly Financial Statements Ended 31 December 2019**  
**Condensed Consolidated Statement of Cash Flow**

	<b>12 months ended 31.12.2019</b>	<b>12 months ended 31.12.2018</b>
	RM'000	RM'000
	Unaudited	Audited
Net increase in cash and cash equivalents	104,735	49,162
Effects of exchange rate on cash and cash equivalents	(51)	24
<b>Cash and cash equivalents at beginning of financial period</b>	292,997	243,811
<b>Cash and cash equivalents at end of financial period</b>	<u>397,681</u>	<u>292,997</u>
<b>Cash and cash equivalents comprise:</b>		
Deposits with licensed banks	367,141	187,297
Cash and bank balances	76,612	111,455
	<u>443,753</u>	<u>298,752</u>
Less : Pledged deposits	(43,461)	(3,472)
Bank overdraft	(2,611)	(2,283)
	<u>397,681</u>	<u>292,997</u>

**(The Condensed Consolidated Statement of Cash Flow 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.)**



**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 2018. 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 2018.

**A2 Significant Accounting Policies**

The accounting policies and presentation adopted for this condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2018, except for the adoption of the following standards, amendments and annual improvements to MFRSs as disclosed below.

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

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

Description		Effective for annual periods beginning on or after
Amendments to MFRS 3	Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
MFRS 16	Leases	1 January 2019
Amendments to MFRS 9	Financial Instruments (Prepayment Features with Negative Compensation)	1 January 2019
Amendments to MFRS 11	Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 112	Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 119	Employee Benefits (Plan Amendments, Curtailment or Settlement)	1 January 2019
Amendments to MFRS 123	Borrowing Cost (Annual Improvements to MFRS Standards 2015-2017 Cycle)	1 January 2019
Amendments to MFRS 128	Investments in Associates and Joint Ventures – Long-term Interest in Associates and Joint Ventures	1 January 2019

**(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 3	Business Combinations - Definition of a Business	1 January 2020
Amendments to MFRS 101 and MFRS 108	Presentation of Financial Statements and changes in Accounting Estimates and Errors - Definition of Material	1 January 2020
MFRS 17	Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be determined

The Group is expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements 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 2018 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 financial year-to-date results.

**A7 Debt and equity securities**

Pujian Bayu, a wholly-owned subsidiary of TRIplc Berhad, which in turn is a wholly-owned subsidiary of the Company had on 31 July 2019 issued the Medium Term Notes of up to RM200.0 million in nominal value.

The proceeds raised will be utilised by Pujian Bayu to, amongst others:

- i) advance to TRIplc Berhad as and when required to part finance the construction cost pursuant to the concession agreement dated 18 February 2016 entered between The Government of Malaysia, Universiti Teknologi MARA and TRIplc Medical Sdn Bhd, a wholly-owned subsidiary of TRIplc Berhad, for the planning, design, financing, development, construction, landscaping, equipping, installation, completion, testing and commissioning of the facilities and infrastructure in relation to the Teaching Hospital and Medical Academic Centre in UiTM Puncak Alam Campus ("Z1P3 Project");
- ii) advance to TRIplc Berhad to partially repay the term loan facility granted by Hong Leong Bank Berhad to TRIplc Berhad to part finance the construction cost of the Z1P3 Project; and
- iii) purchase RM35.0 million in nominal value of Junior Notes issued by TRIplc Ventures Sdn Bhd, a wholly-owned subsidiary of TRIplc Berhad.

The MTNs had been accorded rating of AA3 by RAM Rating Services Berhad and each tranche of the MTNs has a tenure of between ten (10) years and fifteen (15) years from the issuance date.

Saved as disclosed above, 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 (31.12.2018: RM2,236,234.93).

**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	Water		Construction		Plantation		Concession		Total	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Operating Revenue</b>										
Revenue from external customers	-	4,016	25,441	(3,231)	6,402	3,383	110,445	66,678	142,288	70,846
Finance income	-	-	340	255	7	(109)	4,854	5,620	5,201	5,766
Other income	-	561	1,214	(442)	97	2,914	16	507	1,327	3,540
	-	4,577	26,995	(3,418)	6,506	6,188	115,315	72,805	148,816	80,152
Operating expenses	-	(3,855)	(34,203)	(34,243)	(10,138)	(16,545)	(83,350)	(54,729)	(127,691)	(109,372)
Reversal for foreseeable losses	-	-	(2,304)	(21,120)	-	-	-	-	(2,304)	(21,120)
Depreciation and amortisation	-	-	(109)	(238)	(1,949)	(3,027)	(25)	(125)	(2,083)	(3,390)
<b>Segment results</b>	-	722	(9,621)	(59,019)	(5,581)	(13,384)	31,940	17,951	16,738	(53,730)
Finance costs	-	-	(580)	(1,414)	(2,919)	(1,197)	(22,963)	(13,609)	(26,462)	(16,220)
<b>Profit/(Loss) before tax</b>	-	722	(10,201)	(60,433)	(8,500)	(14,581)	8,977	4,342	(9,724)	(69,950)

Cumulative quarter results for 12 months ended	Water		Construction		Plantation		Concession		Total	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Operating Revenue</b>										
Revenue from external customers	5,203	15,852	129,334	66,161	18,824	15,366	321,297	131,134	474,658	228,513
Finance income	-	-	515	584	13	87	17,404	13,171	17,932	13,842
Other income	291	561	1,228	12	195	3,128	76	508	1,790	4,209
Fair value gain on fresh fruit bunches	-	-	-	-	767	(1,311)	-	-	767	(1,311)
	5,494	16,413	131,077	66,757	19,799	17,270	338,777	144,813	495,147	245,253
Operating expenses	(5,064)	(13,263)	(164,428)	(135,866)	(38,291)	(66,515)	(229,052)	(90,710)	(436,835)	(306,354)
Reversal of foreseeable losses	-	-	23,358	7,101	-	-	-	-	23,358	7,101
Impairment loss on goodwill	-	-	-	-	-	(5)	-	-	-	(5)
Depreciation and amortisation	-	-	(566)	(954)	(17,239)	(11,803)	(329)	(249)	(18,134)	(13,006)
<b>Segment results</b>	430	3,150	(10,559)	(62,962)	(35,731)	(61,053)	109,396	53,854	63,536	(67,011)
Finance costs	-	-	(5,916)	(6,044)	(11,025)	(3,740)	(64,355)	(32,132)	(81,296)	(41,916)
<b>Profit/(Loss) before tax</b>	430	3,150	(16,475)	(69,006)	(46,756)	(64,793)	45,041	21,722	(17,760)	(108,927)

b)	Water		Construction		Plantation		Concession		Total	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	RM'000	RM'000	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>	-	27,009	90,883	96,795	746,403	747,424	1,278,546	1,049,186	2,115,832	1,920,414
Included in the measure of segment assets are:										
Additions to non-current assets other than financial instruments and deferred tax assets	-	-	24	60	7,942	28,835	-	193	7,966	28,895
<b>Segment liabilities</b>	-	926	332,540	348,324	312,514	275,800	1,131,270	896,840	1,776,324	1,521,890

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

	31.12.2019	31.12.2018
	RM'000	RM'000
<b>Profit or loss</b>		
Total profit or loss for reportable segments	(17,760)	(108,927)
Other non-reportable segments and elimination	(32,150)	380
Unallocated expenses	(7,380)	(10,517)
Loss before tax of continuing operations	<u>(57,290)</u>	<u>(119,064)</u>

	External revenue	Depreciation and amortisation	Finance costs	Finance income	Segment assets	Additions to non-current assets	Segment liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Results for 3 months ended 31.12.2019</b>							
Total reportable segments	142,288	(2,083)	(26,462)	5,202	(1,238,686)	6,746	925,867
Other non-reportable segments	32	(1,906)	4,968	2,801	1,185,399	116	(875,479)
Elimination of inter-segment transactions and balances	-	-	2,238	(2,238)	(9,270)	-	1,650
Unallocated assets	-	-	-	-	(1,102)	-	-
Unallocated liabilities	-	-	-	-	-	-	3,999
<b>Consolidated total</b>	<b>142,320</b>	<b>(3,989)</b>	<b>(19,256)</b>	<b>5,765</b>	<b>(63,659)</b>	<b>6,862</b>	<b>56,037</b>
<b>Results for 3 months ended 31.12.2018</b>							
Total reportable segments	70,846	(3,390)	(16,220)	5,766	-	-	-
Other non-reportable segments	923	(1,535)	(2,985)	4,046	(290,742)	8,481	616,867
Elimination of inter-segment transactions and balances	-	70	2,766	(2,741)	148,190	-	(974,624)
Unallocated assets	-	-	-	-	4,521	-	-
Unallocated liabilities	-	-	-	-	-	-	366,153
<b>Consolidated total</b>	<b>71,769</b>	<b>(4,855)</b>	<b>(16,439)</b>	<b>7,071</b>	<b>(138,031)</b>	<b>8,481</b>	<b>8,396</b>

	External revenue	Depreciation and amortisation	Finance costs	Finance income	Segment assets	Additions to non-current assets	Segment liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Results for cumulative 12 months ended 31.12.2019</b>							
Total reportable segments	474,658	(18,135)	(81,297)	17,933	2,115,832	7,966	(1,776,324)
Other non-reportable segments	62	(6,848)	(4,358)	14,449	2,031,031	394	(341,956)
Elimination of inter-segment transactions and balances	-	-	10,623	(10,623)	(1,042,844)	-	509,778
Unallocated assets	-	-	-	-	30,812	-	-
Unallocated liabilities	-	-	-	-	-	-	(185,796)
<b>Consolidated total</b>	<b>474,720</b>	<b>(24,983)</b>	<b>(75,032)</b>	<b>21,759</b>	<b>3,134,831</b>	<b>8,360</b>	<b>(1,794,298)</b>
<b>Results for cumulative 12 months ended 31.12.2018</b>							
Total reportable segments	228,513	(13,006)	(41,916)	13,842	1,920,414	20,550	(1,521,890)
Other non-reportable segments	1,953	(7,907)	(8,260)	15,585	1,985,800	11,035	126,031
Elimination of inter-segment transactions and balances	-	-	10,515	(10,487)	(869,122)	-	(467,246)
Unallocated assets	-	-	-	-	35,778	-	-
Unallocated liabilities	-	-	-	-	-	-	190,892
<b>Consolidated total</b>	<b>230,466</b>	<b>(20,913)</b>	<b>(39,661)</b>	<b>18,940</b>	<b>3,072,870</b>	<b>31,585</b>	<b>(1,672,213)</b>

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

The valuation of the properties have 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 2019.

**A11 Subsequent events**

Puncak Niaga Construction Sdn Bhd ("PNCBSB"), a wholly-owned subsidiary of Puncak, had on 12 February 2020 received a Notice of Adjudication dated 11 February 2020 to refer disputes arising from alleged payment claim under Section 7 and 8 under the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") from its sub-contractor, Mersing Construction & Engineering Sdn Bhd ("Mersing"). The alleged payment claim is for the sum of RM2,723,839.04 for the project "Supply And Lay Network Sewerage Pipe At Zone 3 & 3A For Pembinaan Rangkaian Paip Pembetulan Di Bunus, Kuala Lumpur" ("D44 Project") together with interest and cost in relation to the adjudication proceedings.

PNCBSB has instructed its solicitors to contest the matter.

Save as disclosed above and 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**

There were no other 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 A11 Subsequent Events and Note B9 Material Litigations, there were no other material contingent liabilities and contingent assets as at 31 December 2019.

**A14 Other material disclosures****a) Revenue**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
	3 months ended 31.12.2019	31.12.2018	12 months ended 31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Water	-	4,016	5,203	15,852
Construction contract	25,441	(3,231)	129,334	66,161
Sale of fresh fruit bunches	5,944	3,383	16,865	15,366
Concession	110,445	66,678	321,297	131,134
Others	490	923	2,021	1,953
	<b>142,320</b>	<b>71,769</b>	<b>474,720</b>	<b>230,466</b>

**b) Capital commitments**

The following are the capital commitments of the Group:-

Contracts approved and contracted for	<b>As at 31.12.2019 RM'000</b>
	<b>1,710</b>

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

	12 months ended 31.12.2019		
	At cost	Accumulated Depreciation	Net Book Value
	RM'000	RM'000	RM'000
Acquisition	2,359	34	2,325
Disposal	2,871	2,327	544

**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 analysis 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 31.12.2019 RM'000	Fair value 31.12.2019 RM'000	Carrying amount 31.12.2018 RM'000	Fair value 31.12.2018 RM'000
<b>Financial liabilities :</b>				
Loans and borrowings	1,243,129	1,246,499	1,108,871	1,108,422

Short-term investments of the Group and of the Company amounted to RM135,695,000 (31.12.2018 : RM421,510,000) which is carried at fair value is categorised as fair value through profit and loss ("FVTPL") financial assets under Level 2 of the fair value hierarchy.

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**

During the current financial quarter and financial year to date, the Group recorded higher revenue of RM71.4 million (99%) and RM245.1 million (>100%) as compared to the preceding year's corresponding financial quarter and financial year to date. The higher revenue was mainly due to higher revenue contribution from the Construction, Concession and Plantation segments.

The Group reported a lower loss before tax ("LBT") of RM71.7 million (-93%) and RM65.8 million (-55%) for the current financial quarter and financial year to date as compared to the preceding year's corresponding financial quarter and financial year to date. This was mainly due to the higher revenue contribution from the Construction, Concession and Plantation segments, which were partly offset by higher finance cost from the Plantation and Concession segments.

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

(a) Water :

During the current financial quarter and financial year to date, the Water segment reported a decrease in revenue of RM4.0 million (-100%) and RM10.6 million (-67%) as well as profit before tax ("PBT") of RM0.8 million (-100%) and RM2.7 million (-86%) respectively, as compared to the preceding year's corresponding financial quarter and financial year to date. This was mainly due to the expiry of the contract for the Project "Kerja-Kerja Operasi Dan Penyelenggaraan Secara Komprehensif Loji Rawatan Air Di Kampung Lawa Gadong, Beaufort, Sabah" ("Beaufort Project") on 30 April 2019, between PNC and Kementerian Air, Tanah Dan Sumber Asli ("KATS") whereby only 4 months' results were recorded in the current financial year to date as compared to a full 12 months' results recorded in the preceding year's corresponding financial year to date.

(b) Construction :

The Construction segment reported an increase in revenue by RM28.7 million (>100%) and RM63.2 million (95%) for the current financial quarter and financial year to date as compared to the preceding year's corresponding financial quarter and financial year to date, mainly contributed from the work progress of "Projek Pembinaan Loji Rawatan Kumbahan Serantau Dan Rangkaian Paip Pembetulan Di Bandar Kuantan, Pahang (Reka Dan Bina)" ("Kuantan Project") which achieved overall progress of 24.13% as at 31 December 2019.

The lower LBT of RM50.2 million (-83%) and RM52.5 million (-76%) for the current financial quarter and financial year to date as compared to the preceding year's corresponding financial quarter and financial year to date was mainly due to higher revenue contribution from the Kuantan Project and higher reversal of provision for Liquidated and Ascertained Damages (LAD) for the D44 Project.

(c) Plantation :

The Plantation segment reported an increase in revenue of RM3.0 million (89%) and RM3.5 million (23%) for the current financial quarter and financial year to date as compared to the preceding year's corresponding financial quarter and financial year to date which was mainly due to higher fresh fruit bunches ("FFB") production.

The better performance in the current financial quarter and financial year to date was mainly due to lower operating expenses offset by higher cost of sales, higher depreciation and amortisation and higher finance cost.



(d) Concession :

The Concession segment reported an increase in revenue of RM43.8 million (66%) for the current financial quarter as compared to the preceding year's corresponding financial quarter which was mainly due to positive contribution from the construction activities of UiTM-Zone 1 Phase 3, Campus Puncak Alam (Z1P3 Project) which commenced in April 2017 with overall progress to date of 94%. The higher PBT of RM4.6 million (>100%) for the current financial quarter was mainly due to in-line with the increase in revenue counterbalanced by higher operating cost incurred, as compared to the preceding year's corresponding financial quarter.

The higher revenue and PBT of RM190.1 million (>100%) and RM23.3million (>100%) respectively for the financial year to date as compared to preceding's corresponding financial year to date was mainly due to the Concession segment contributing a full year's results in the current financial year to date as compared to only 7 months in the preceding year's corresponding financial year to date, pursuant to the completion of the acquisition of TRIpIc Berhad on 31 May 2018.

**B2** Comparison of loss before taxation with the immediate preceding financial quarter

The Group reported an increase in revenue of RM19.3 million (16%) for the current financial quarter which was mainly due to higher revenue contribution from the Construction segment and Concession segment. The lower LBT of RM11.0 million (66%) reported for the current financial quarter was mainly due to higher revenue reported along with lower depreciation and amortisation expense.

**B3** Prospects

The Group is continuously looking to expand its operations in areas related to its core businesses and competencies in the water, environmental engineering and construction activities, plantation and concession and facilities management, both locally and abroad.

The Group believes that the oil palm plantation segment offers sustainable prospects despite the various challenges faced in the Malaysian oil palm industry in 2018 and 2019 due to lower palm oil prices and higher palm oil stocks. The Group remains cautious in managing the various challenges in the oil palm plantation segment such as fluctuations in crude palm oil prices, labour shortage and adverse weather conditions. The Group completed 1,000 hectares of land clearing in 2018 and another 500 hectares in 2019 for new planting. The Group estimates that the FFB crop production will rise in the next two years with improved yield from the existing mature palms and more immature palms reaching the maturity stage.

On the Construction segment, the Group will continue to be involved in water and wastewater infrastructure-related projects. The Group is focusing on minimising third party interference issues at the ongoing D44 Project as much as possible within its scope of control to ensure the project is not affected adversely by late handovers from third parties. As for the Kuantan Project awarded in 2018, the Group is taking all actions to ensure that the Kuantan Project is completed as scheduled. The Group adopts a cautious approach in line with profitability concerns in accessing new opportunities and exploring options in other States to participate in utilities and infrastructure works.

Concession Project UiTM-Zone 1 Phase 2, Campus Puncak Alam ("UiTM-Z1P2")

A wholly owned sub-subsidiary of the Company, TRIpIc Ventures Sdn Bhd ("TVSB"), entered into the UiTM Z1P2 Concession Agreement with the Government, represented by the Ministry of Higher Education and UiTM in 2010. Under the Z1P2 Concession Agreement, TVSB was granted a 23-year concession to undertake the planning, design, financing, development, construction, landscaping, equipping, installation, completion, testing, commissioning and maintenance of specified facilities and infrastructure for Z1P2 of UiTM Puncak Alam Campus. The specified facilities and infrastructure include academic facilities for three faculties, namely the Faculty of Accountancy, Faculty of Business Administration and Faculty of Hotel and Tourism Management, common facilities, student accommodation, multipurpose hall, maintenance centre, prayer hall, library, student centre, cafeteria and health centre.

The construction works for Z1P2 of UiTM Puncak Alam Campus commenced in 2011 and was completed in 2014.

The Group commenced with the facilities management services for a period of 20 years from 2014 to 2034.

#### Concession Project UiTM-Zone 1 Phase 3, Campus Puncak Alam ("UiTM-Z1P3")

A wholly owned sub-subsidiary of the Company, TRIpIc Medical Sdn Bhd ("TMSB") was awarded a concession to undertake the planning, finance, design, development, construction, landscaping, equipping, installation, completion, testing and commissioning of the facilities and infrastructure in relation to the Teaching Hospital and Medical Academic Centre at UiTM Puncak Alam Campus ("Project") for a development cost of RM599.0 million and thereafter, to carry out the asset management services of the facilities and infrastructure in accordance with the terms and conditions of the Concession Agreement dated 18 February 2016 entered between the Government of Malaysia represented by the Ministry of Higher Education ("Government"), Universiti Teknologi MARA ("UiTM") and TMSB.

The concession is for a period of 25 years commencing from 11 April 2017, encompassing 3 years for construction works and 22 years for asset management services.

With the fixed monthly receivable and steady income from the availability charges and facilities management services of Project UiTM-Z1P2, coupled with the new concession agreement for Project UiTM-Z1P3, these concessions are expected to contribute positively to the Group's earnings.

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

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

#### **B5** Income tax expenses

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
	3 months ended 31.12.2019	31.12.2018	12 months ended 31.12.2019	31.12.2018
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current year tax expense	(2,681)	(1,223)	(9,244)	(4,272)
- overprovision in prior year	802	2,598	1,778	2,598
	<u>(1,879)</u>	<u>1,375</u>	<u>(7,466)</u>	<u>(1,674)</u>
Deferred tax				
- reversal of temporary differences	(342)	(53,811)	(974)	(55,002)
- over/(under) provision in prior year	3,604	(310)	3,604	(310)
	<u>3,262</u>	<u>(54,121)</u>	<u>2,630</u>	<u>(55,312)</u>
	<u>1,383</u>	<u>(52,746)</u>	<u>(4,836)</u>	<u>(56,986)</u>

The effective tax rate of the Group for the financial year-to-date was lower than the Malaysian statutory tax rate mainly due to reversal of temporary differences in respect of prior year.

#### **B6** Status of corporate proposals

On 29 August 2019, Hong Leong Investment Bank Berhad announced, on behalf of the Board of Directors of the Company, that the Company is proposing to undertake a renounceable rights issue of up to RM223,623,878 nominal value of 5-year 6.50% convertible secured islamic debt securities ("CSIDS") at 100% of its nominal value of RM1.00 on the basis of 1 CSIDS for every 2 existing ordinary shares held in the Company on an entitlement date to be determined later ("Proposed Rights Issue of CSIDS").

On 29 October 2019, it was announced that the Company is still in the midst of preparing the application for the issuance of CSIDS to Securities Commission ("SC") and the listing application together with the draft circular to Bursa Securities. The said applications to the relevant authorities are expected to be made within 2 months from 29 October 2019.

As of to date, Puncak has yet to procure the undertakings from the Undertaking Shareholders in view of the significant of funds to be raised. As such, the Company would require more time to procure such undertakings from the Undertaking Shareholders.

Consequently, the application for the issuance of CSIDS to the SC and the listing application together with the draft circular to Bursa Securities are now expected to be made to the relevant authorities within a period of 3 months from 27 December 2019.

Saved as disclosed above, there were no corporate proposals announced as at the date of this report.

## B7 Loans and borrowings

Details of the Group's loans and borrowings as at 31 December 2019 are as follows:-

	Current RM'000	Non-current RM'000
<b>Secured</b>		
Medium Term Notes	19,461	310,396
Senior Sukuk Murabahah	-	615,278
Tawarruq term loan	17,500	119,716
Cash Lite-i	12,500	-
Term loan	24,752	-
Revolving credit facility	108,800	-
Bank overdraft	2,613	-
Obligation under finance leases	4,241	7,872
	<u>189,867</u>	<u>1,053,262</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

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

#### a) The First Arbitration Proceedings

KHEC, a sub-contractor for the Chennai Water Supply Augmentation Project 1 - Package III ("Chennai Project"), has 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 in India of the Company.

Arising from the arbitration proceedings initiated by KHEC, both KHEC and the Consortium have each appointed a qualified civil engineer as their arbitrator respectively, and both arbitrators have 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 has 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 had subsequently been 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, had also been 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 has 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 has 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 has tentatively fixed the next continued hearing dates on 24 October 2014 and 25 October 2014.

The hearing of the First Arbitration Proceedings fixed on 24 October 2014 and 25 October 2014 proceeded as scheduled.

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

On 26 November 2014, the Arbitration Panel has 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. The Panel has yet to schedule new dates for the continued hearing.

On 14 December 2015, the counsel of the Consortium notified the Presiding Arbitrator that the Arbitrator in charge unable to continue as Arbitrator in view of his continued ill-health. An alternative Arbitrator will be appointed in due course. The Panel has yet to schedule new dates for the continued hearing for the First Arbitration Proceedings.

On 3 March 2016, the name of the replacement Arbitrator had been submitted by the counsel of the Consortium to the Panel for consideration and decision. The Panel has yet to schedule new dates for the continued hearing for the First Arbitration Proceedings.

On 20 April 2016, the name of the replacement Arbitrator had been accepted by the Panel. The Panel has yet to schedule new dates for the continued hearing for the First Arbitration Proceedings.

On 2 June 2016, KHEC's Arbitrator had resigned and a new arbitrator has been 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 have been cancelled as the Chief Arbitrator has resigned recently due to health reasons. The remaining Panel is 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 has approved the replacement for the Chief Arbitrator for the First Arbitration Proceedings. The new dates for the continued hearing for the First Arbitration Proceedings has yet to be scheduled by the Panel.

On 4 January 2017, the Company was notified that the Panel has 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, 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 has 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 hearing held on 24 February 2018 and 25 February 2018, the Panel fixed the next continued hearing of 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 Rs 61,41,703. 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 is currently seeking advice from its solicitors in India on the next course of action.

b) **The Second Arbitration Proceedings**

KHEC had commenced a second arbitration proceedings against the PNHB-Lanco members of the Consortium ("the Second Arbitration") on the basis of the terms of the Joint Venture Agreement dated 13 February 2003 and the Supplemental Agreement to the Joint Venture Agreement dated 26 March 2003 respectively, entered into between the Company, Lanco Infratech Limited 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 allege that they, despite being a 10% shareowner, received only 4.31% out of the total value of the contract works of the Chennai Project. Subsequently, KHEC had filed in an amended claim for damages and lost of profit from Rs5,44,32,916 to Rs55,44,32,916 (equivalent to approximately RM44.3 million). PNHB-Lanco's counsel had 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 were heard by a single arbitrator have been completed wherein the parties have 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 Rs.58 Lakhs amounting to Rs14,62,503 (approximately RM83,627.38) only to the claimant, KHEC Heavy Engineering and Construction Sdn Bhd 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 Rs.58 Lakhs amounting to Rs.14,62,503 to KHEC.

KHEC had informed the Company of its intention to challenge the Final Award of the Arbitrator dated 29 March 2013. However, as of to-date, no documents have been served by KHEC on the PNHB-LANCO members of the Consortium.

The claimant, KHEC Heavy Engineering & Construction Sdn Bhd 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 had 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.

At the hearing held on 7 March 2019, the Madras High Court had adjourned the hearing to a later date to be advised in due course.

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

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

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

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

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

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

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

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

In the Suit, the Company is named as the First Defendant.

The relief sought by PASSB against the Company is as follows:-

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

- (v) an order that the Company do deliver to PASSB the original or photocopies of PNSB's documents within seven (7) days from the date of the Honourable Court order.
- (vi) costs and interests at the rate of 5% and other reliefs or orders that the Honourable Court may deem fit and proper to grant.

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

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

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

On 17 May 2017, the Court fixed another pre-trial case management on 18 July 2017. Meanwhile, the Company filed an appearance on 16 May 2017 and its Defence is due by 23 June 2017.

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The matter is fixed for case management at the Shah Alam High Court on 28 November 2017.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

On 30 April 2019, the Court of Appeal adjourned the matter for the further case management on 28 June 2019. The case management of Puncak's appeals against the High Court's decision in allowing the defendant's applications and striking out the claim was adjourned for further case management on 20 August 2019 at the Court of Appeal.

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

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

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

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

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

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

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

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

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

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

On 20 June 2016, PNCSB had 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 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 PNCSB has instructed its solicitor to contest the matter.

On 18 July 2016, PNCSB had issued a response to Genbina's Notice of Arbitration dated 17 June 2016 through its solicitors. In summary, PNCSB'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 PNCSB**

On 20 June 2016, PNCSB had 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 PNCSB has instructed its solicitor to contest the matter.

On 18 July 2016, PNCSB had issued a response to Genbina's Notice of Arbitration dated 17 June 2016 through its solicitors. In summary, PNCSB'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.

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

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

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

- (i) In respect of the Notice of Arbitration arising from the Contract, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's breaches under the Contract which led to PNCSB's termination of the Contract. PNCSB seeks to recover the loss and damage suffered by PNCSB from Genbina in the arbitration;
- (ii) In respect of the Notice of Arbitration arising from the OMSA, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's wrongful acts under the OMSA over Genbina's failure to return the Machineries & Equipment belonging to PNCSB under the OMSA, unlawfully removing the said Machineries & Equipment from the D44 Project site and wrongfully detaining them. PNCSB seeks to recover the loss and damage suffered by PNCSB from Genbina in the arbitration; and

(iii) In respect of the Notice of Arbitration arising from the Workers' Agreement, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's breach of the Workers' Agreement over Genbina's failure and/or refusal to pay the foreign workers' salaries and to bear all direct and incidental costs for their repatriation, amongst others. PNCSB seeks to recover its loss and damage suffered from Genbina in the arbitration.

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

Two (2) separate arbitrations initiated by Genbina Sdn Bhd and the three (3) separate arbitrations initiated by PNCSB will be consolidated into a single arbitration proceeding.

The arbitral tribunal has been constituted and a preliminary meeting was called on 5 July 2017 wherein parties have been given directions to move the arbitration forward.

**(6) 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) Bills 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 has 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.

**(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.

PNMSSB has 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 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 14 January 2020, the learned Judge granted an interim stay order to stay the enforcement and effect of the Bills of Demand pending the hearing of the Application. The learned Judge also directed both parties to attend a case management on 5 February 2020 to fix a hearing date for the Application.

At the case management held on 5 February 2020, the Registrar fixed the hearing of the Application on 17 April 2020. The Registrar also fixed another case management on 31 March 2020 for parties to update the Registrar on the filling at the relevant cause papers.

**B10 Dividend**

No dividend has been proposed or declared for the current financial year-to-date (2018 : RM 2,236,234.93)

**B11 Loss per share**

Basic loss per share is calculated based on the loss attributable to owners of the parent and the weighted average number of ordinary shares outstanding, excluding treasury shares held by the Company.

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 3 months ended 31.12.2019	Preceding Year Corresponding Quarter 31.12.2018	Current Year Quarter 12 months ended 31.12.2019	Preceding Year Corresponding Quarter 31.12.2018
Loss net of tax attributable to owners of the parent	(RM'000)	(6,986)	(125,404)	(57,216)	(169,662)
Weighted average number of ordinary shares in issue	('000)	447,248	447,248	447,248	447,248
Basic loss per share	(sen)	(1.56)	(28.04)	(12.79)	(37.93)

**Diluted loss per ordinary share**

Diluted loss per share is calculated based on the loss attributable to owners of the parent and 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**

**TAN BEE LIAN (MAICSA 7006285)**  
**IZREEN FARA BINTI ISMAIL (MAICSA 7056436)**  
**Secretaries**

Shah Alam  
27 February 2020