

were supplied by PKN to DTSB. The matter is currently pending trial. The suit, however, is not expected to have any material impact on the financial and operational position of the Group.

We have continued to maintain discipline in capital expenditure ("CAPEX") spending. The division spent RM2.38 million on CAPEX compared to RM1.28 million last year, which are largely restricted to assets needed to meet or maintain the division's operational requirements.



PBT however was up by **34.0% to RM30.56 million** compared to the RM22.81 million recorded last year as a result of sales mix, higher write back of certain provisions as well as lower direct costs and depreciation.

We have also enhanced our technical support functions and have developed the capabilities in a high-quality way. We are pleased to report that during the year, PKN's Technical Support Department has secured the ISO 9001:2015 Quality Management Systems and ISO 27001:2013 Information Security Management Systems

accreditations, affirming the division's commitment to provide customers with the best security measures for data sharing and storage. PKN had also increased the size of its technical support team as it continues to strengthen its aftermarket service offerings to customers in several towns in Sabah and Sarawak.

