

**nova pharma solutions**  
Designing for Healthier Future

**NOVA PHARMA SOLUTIONS BERHAD**  
(Company No. 34608-K)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS FOR THE  
HALF YEAR ENDED 30 JUNE 2019**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES  
BERHAD (“BURSA SECURITIES”)**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY NOVA PHARMA SOLUTIONS BERHAD (“NPS” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.

**NOVA PHARMA SOLUTIONS BERHAD**

(Company No. 34608 K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2019**

|  | UNAUDITED INDIVIDUAL<br>6 months ended 30 June |                              | UNAUDITED CUMULATIVE<br>6 months ended 30 June |                              |
|--|--|------------------------------|--|------------------------------|
|  | <u>2019</u><br><u>RM'000</u>                   | <u>2018</u><br><u>RM'000</u> | <u>2019</u><br><u>RM'000</u>                   | <u>2018</u><br><u>RM'000</u> |
| Revenue  | 3,172  | 2,869                        | 3,172  | 2,869                        |
| Cost of Sales  | (1,559)  | (1,393)                      | (1,559)  | (1,393)                      |
| Gross Profit   | 1,613  | 1,476                        | 1,613  | 1,476                        |
| Other operating income   | 117  | 64                           | 117  | 64                           |
| Operating expenses   | (1,039)  | (994)                        | (1,039)  | (994)                        |
| Profit from operating activities   | 691  | 546                          | 691  | 546                          |
| Finance Costs  | -  | -                            | -  | -                            |
| <b>Profit before tax</b>   | 691  | 546                          | 691  | 546                          |
| Tax expenses   | (1)  | (6)                          | (1)  | (6)                          |
| <b>Profit for the period</b>   | 690  | 540                          | 690  | 540                          |
| Other comprehensive income,<br>net of tax  | -  | -                            | -  | -                            |
| <b>Total comprehensive income<br/>for the period</b>                                       | 690  | 540                          | 690  | 540                          |
| <b>Profit and total comprehensive<br/>income attributable to<br/>owners of the Company</b> | 690  | 540                          | 690  | 540                          |
| <b>EARNINGS PER SHARE</b>  |  |                              |  |                              |
| Basic (Sen)  | 0.46   | 0.37                         | 0.46   | 0.37                         |
| Diluted (Sen)  | N/A  | N/A                          | N/A  | N/A                          |

**Note:**

*The basis of preparation of the Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*

**NOVA PHARMA SOLUTIONS BERHAD**  
(Company No. 34608 K)

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

|   | Unaudited as at<br>30.06.2019<br>RM'000 | Audited as at<br>31.12.2018<br>RM'000 |
|---|---|---------------------------------------|
| <b>NON-CURRENT ASSETS</b>                           |   |                                       |
| Right-of-use Asset                                  | 159                                     | -                                     |
| Property, plant and equipment                       | 137                                     | 167                                   |
|   | <u>296</u>                              | <u>167</u>                            |
| <b>CURRENT ASSETS</b>                               |   |                                       |
| Trade receivables                                   | 160                                     | 1,268                                 |
| Other receivables, deposits and prepayments         | 20                                      | 33                                    |
| Contract assets                                     | 3,338                                   | 2,487                                 |
| Tax recoverable                                     | 96                                      | 111                                   |
| Right-of-use Asset                                  | 73                                      | -                                     |
| Fixed deposit with licensed banks                   | 7,044                                   | 4,099                                 |
| Cash and bank balances                              | 2,294                                   | 4,992                                 |
|   | <u>13,025</u>                           | <u>12,990</u>                         |
| <b>TOTAL ASSETS</b>                                 | <b>13,321</b>                           | <b>13,157</b>                         |
| <b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b> |   |                                       |
| Share capital                                       | 7,985                                   | 7,985                                 |
| Retained earnings                                   | 2,422                                   | 2,030                                 |
|   | <u>10,407</u>                           | <u>10,015</u>                         |
| <b>CURRENT LIABILITIES</b>                          |   |                                       |
| Trade payables                                      | 204                                     | 171                                   |
| Other payables and accruals                         | 2,123                                   | 2,651                                 |
| Amount due to a director                            | -                                       | 171                                   |
| Lease liabilities                                   | 73                                      | -                                     |
| Dividend payable                                    | 298                                     | -                                     |
| Contract liabilities                                | 57                                      | 149                                   |
|   | <u>2,755</u>                            | <u>3,142</u>                          |
| <b>NON-CURRENT LIABILITIES</b>                      |   |                                       |
| Lease liabilities                                   | 159                                     | -                                     |
| <b>TOTAL LIABILITIES</b>                            | <b>2,914</b>                            | <b>3,142</b>                          |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | <b>13,321</b>                           | <b>13,157</b>                         |
| <b>NET ASSETS PER SHARE (RM)<sup>(1)</sup></b>      | <b>0.07</b>                             | <b>0.07</b>                           |

**Notes:**

*The basis of preparation of the Unaudited Condensed Consolidated Statement of Financial Position are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*

*(1) Net assets per share is calculated based on the Company's number of ordinary shares at the end of the reporting period.*

**NOVA PHARMA SOLUTIONS BERHAD**

(Company No. 34608 K)

**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2019**

|  | Share Capital<br>RM'000 | Retained<br>earnings<br>RM'000 | Total Equity<br>RM'000 |
|--|-------------------------|--------------------------------|------------------------|
| Opening balance at 1 January 2019  | 7,985                   | 2,030                          | 10,015                 |
| Total comprehensive income for the period  | -                       | 690                            | 690                    |
| Final single-tier dividend declared for the<br>financial year ended 31 December 2018 | -                       | (298)                          | (298)                  |
| Closing balance at 31 June 2019  | <u>7,985</u>            | <u>2,422</u>                   | <u>10,407</u>          |
| Opening balance at 1 January 2018  | 5,000                   | 1,320                          | 6,320                  |
| Total comprehensive income for the period  | -                       | 2,164                          | 2,164                  |
| Issuance of bonus share  | -                       | (858)                          | (858)                  |
| New Issuance of shares   | 2,985                   | -                              | 2,985                  |
| Dividend   | -                       | (596)                          | (596)                  |
| Closing balance at 31 December 2018  | <u>7,985</u>            | <u>2,030</u>                   | <u>10,015</u>          |

**Note:**

*The basis of preparation of the Unaudited Condensed Statement of Changes in Equity are detailed in Note A1 and the accompanying explanatory notes attached to this interim financial report.*

**NOVA PHARMA SOLUTIONS BERHAD**  
(Company No. 34608 K)

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2019**

|   | UNAUDITED              |              |
|---|------------------------|--------------|
|   | 6 months ended 30 June |              |
|   | 2019                   | 2018         |
|   | RM'000                 | RM'000       |
| <b>Operating activities</b>                               |                        |              |
| Profit before tax   | 691                    | 546          |
| Adjustments for:  |                        |              |
| Depreciation  | 30                     | 46           |
| Interest income   | (3)                    | (26)         |
| Unit Trust Dividend                                       | (114)                  | (31)         |
| Unrealized (gain)/loss on foreign exchange                | 43                     | (8)          |
| <b>Operating profit before working capital changes</b>    | <b>647</b>             | <b>527</b>   |
| Change in trade and other receivables                     | 1,136                  | 264          |
| Change in contract assets/liabilities                     | (943)                  | 462          |
| Change in trade and other payables                        | (666)                  | (302)        |
| <b>Cash generated from operations</b>                     | <b>174</b>             | <b>951</b>   |
| Tax (paid)/refund   | (64)                   | (32)         |
| Unit Trust Dividend                                       | 114                    | 31           |
| Interest received   | 3                      | 26           |
| <b>Net Cash flows generated from operating activities</b> | <b>227</b>             | <b>976</b>   |
| <b>Investing activities</b>                               |                        |              |
| Purchase of property, plant and equipment                 | -                      | (65)         |
| <b>Net cash used in investing activities</b>              | <b>-</b>               | <b>(65)</b>  |
| <b>Financing activities</b>                               |                        |              |
| Proceeds from issuance of shares less listing expenses    | -                      | 2,127        |
| <b>Net cash from financing activities</b>                 | <b>-</b>               | <b>2,127</b> |
| <b>Net increase in cash and cash equivalents</b>          | <b>227</b>             | <b>3,038</b> |
| Effect of foreign exchange rate changes                   | 20                     | 5            |
| Cash and cash equivalents at beginning of period          | 9,091                  | 5,100        |
| <b>Cash and cash equivalents at the end of period</b>     | <b>9,338</b>           | <b>8,143</b> |
| <b><u>Analysis of cash and cash equivalents:</u></b>      |                        |              |
| Deposit with licensed banks                               | 7,044                  | 4,115        |
| Cash and bank balances                                    | 2,294                  | 4,028        |
| <b>Cash and cash equivalents at the end of period</b>     | <b>9,338</b>           | <b>8,143</b> |

**Note:**

*The basis of preparation of the Unaudited Condensed Statement of Cash Flows are detailed in Note A1 and the accompanying explanatory notes to this interim financial report.*

## NOVA PHARMA SOLUTIONS BERHAD

(Company No. 34608 K)

### A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2019

#### A1 COMPLIANCE WITH FINANCIAL REPORTING STANDARD AND LEAP MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

##### Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting.

The interim financial report should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December ("FYE") 2018 and the accompanying explanatory notes attached to this interim financial report.

##### Changes in Accounting Policies

The significant accounting policies and methods of computation adopted by NPS and its subsidiary ("Group") in this interim financial report are consistent with those adopted in the Audited Financial Statements for the financial year ended 31 December 2018 except the adoption of standards and amendments to standards and interpretations that are mandatory for the Group for the financial year beginning 1 January 2019:

|  |   |
|--|---|
| MFRS 16  | Leases  |
| Amendments to MFRS 9                           | Prepayment Features with Negative Compensation  |
| Amendments to MFRS 119                         | Plan Amendment, Curtailment or Settlement   |
| Amendments to MFRS 128                         | Long-term Interests in Associates and Joint Ventures  |
| Amendments to MFRS 3                           | Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)                                     |
| Amendments to MFRS 11                          | Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)                                     |
| Amendments to MFRS 112                         | Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Annual Improvements 2015-2017 Cycle) |
| Amendments to MFRS 123                         | Borrowing Costs Eligible for Capitalisation (Annual Improvements 2015-2017 Cycle)                                       |
| IC Interpretation 23                           | Uncertainty over Income Tax Treatments  |
| Annual Improvements to MFRSs 2015 - 2017 Cycle |   |

The adoption of these new MFRS, amendments and IC interpretations did not have any material impact on the interim financial report of the Group except for the following:

##### MFRS 16 Leases

MFRS 16 eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 introduces a single accounting model, requiring the lessee to recognise the "right-of-use" of the underlying asset and the lease liability reflecting future lease payments liabilities in the statement of financial position.

On the adoption of this standard, the Group has capitalized its rented premises on the statements of financial position by recognizing them as 'right-of-use' assets and their corresponding lease liabilities for the present value for future lease payments.

As permitted under the standard, the Group has adopted MFRS 16 retrospectively from 1 January 2019 using the simplified transition approach and has not restated comparatives for the 2018 reporting period.

## NOVA PHARMA SOLUTIONS BERHAD

(Company No. 34608 K)

### A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2019 (CONT'D)

#### A1 COMPLIANCE WITH FINANCIAL REPORTING STANDARD AND LEAP MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

##### **MFRSs, Amendments to MFRSs and Issue Committees ("IC") Interpretation that have been issued but are not yet effective**

The Group has not adopted the following MFRSs, Amendments to MFRSs and IC Interpretation that have been issued but not yet effective:

| <u>MFRSs/Amendments to MFRSs/IC Interpretation</u>  | <u>Effective for annual periods beginning on or after</u> |
|---|---|
| Amendments to References to the Conceptual Framework in MFRS Standards  | 1 January 2020  |
| Amendments MFRS 3 Business Combinations   | 1 January 2020  |
| Amendments to MFRS 101 Presentation of Financial Statements   | 1 January 2020  |
| Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors  | 1 January 2020  |
| Amendments to MFRS 10 Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture             | To be announced   |
| Amendments to MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be announced   |

The Group will adopt the above new MFRS, amendments and IC interpretations when they become effective in the respective financial periods. The adoption of these standards and amendments that have been issued but not yet effective are not expected to have a material impact to the financial statements of the Group.

#### A2 SEASONAL OR CYCLICAL FACTORS

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

#### A3 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no material unusual items affecting assets, liabilities, equity, net income and cash flow of the Group for the six months ended 30 June 2019.

## NOVA PHARMA SOLUTIONS BERHAD

(Company No. 34608 K)

### A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2019 (CONT'D)

#### A4 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates for the six months ended 30 June 2019.

#### A5 DEBTS AND EQUITY SECURITIES

There were no material issuance, cancellation, repurchase, resale or repayments of debts or equity securities for the six months ended 30 June 2019.

#### A6 SEGMENTAL INFORMATION

The Group's revenue by its business activities are presented as follows:

|               | INDIVIDUAL             |              | CUMULATIVE             |              |
|---------------|------------------------|--------------|------------------------|--------------|
|               | 6 months ended 30 June |              | 6 months ended 30 June |              |
|               | 2019                   | 2018         | 2019                   | 2018         |
|               | RM'000                 | RM'000       | RM'000                 | RM'000       |
| Design        | 1,720                  | 2,107        | 1,720                  | 2,107        |
| Post Design   | 378                    | 624          | 378                    | 624          |
| Other Support | 1,074                  | 138          | 1,074                  | 138          |
| <b>Total</b>  | <b>3,172</b>           | <b>2,869</b> | <b>3,172</b>           | <b>2,869</b> |

The Group's revenue by its industry is presented as follows:

|                | INDIVIDUAL             |              | CUMULATIVE             |              |
|----------------|------------------------|--------------|------------------------|--------------|
|                | 6 months ended 30 June |              | 6 months ended 30 June |              |
|                | 2019                   | 2018         | 2019                   | 2018         |
|                | RM'000                 | RM'000       | RM'000                 | RM'000       |
| Pharmaceutical | 946                    | 1,329        | 946                    | 1,329        |
| Biotechnology  | 2,226                  | 1,540        | 2,226                  | 1,540        |
| <b>Total</b>   | <b>3,172</b>           | <b>2,869</b> | <b>3,172</b>           | <b>2,869</b> |

The Group's revenue by geographical location is presented as follows:

|              | INDIVIDUAL             |              | CUMULATIVE             |              |
|--------------|------------------------|--------------|------------------------|--------------|
|              | 6 months ended 30 June |              | 6 months ended 30 June |              |
|              | 2019                   | 2018         | 2019                   | 2018         |
|              | RM'000                 | RM'000       | RM'000                 | RM'000       |
| Malaysia     | 992                    | 1,379        | 992                    | 1,379        |
| Taiwan       | 1,664                  | 1,352        | 1,664                  | 1,352        |
| Thailand     | 214                    | 138          | 214                    | 138          |
| France       | 302                    | -            | 302                    | -            |
| <b>Total</b> | <b>3,172</b>           | <b>2,869</b> | <b>3,172</b>           | <b>2,869</b> |

## **NOVA PHARMA SOLUTIONS BERHAD**

(Company No. 34608 K)

### **A EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2019 (CONT'D)**

#### **A6 SEGMENTAL INFORMATION (CONT'D)**

The Group's revenue was mainly generated from three business activities, namely design, post design and other support from pharmaceutical and biotechnology projects.

During the half year ended 30 June 2019 ("1H19"), the Group recorded a revenue of RM3.17 million which were mainly contributed by Taiwan and Malaysia market with revenue contributions of 52.46% and 31.27% respectively. The Group has also registered a Representative Office in Taiwan to facilitate the working relationship with the customers in Taiwan and is currently in the process of identifying a permanent office space for rent and hiring of suitable candidates for the Representative Office.

Revenue contribution from Malaysia for the 1H19 has decreased by approximately RM0.39 million or 28.06% as compared to the half year ended 30 June 2018 ("1H18") which was mainly due to slower pace of local pharmaceutical activities. This has also attributed to the lower revenue contribution from pharmaceutical industry during the 1H19 as most of the pharmaceutical projects are contributed by Malaysia market. This was offset by higher revenue contribution from overseas biotechnology projects which has contributed to the increase in the Group's revenue by approximately RM0.30 million or 10.56% for the 1H19 as compared to 1H18. An increase in revenue from the other support activity by RM0.94 million for 1H19 as compared to the 1H18 was mainly due to works in relation to good manufacturing practice documentation review for biotechnology projects located at Taiwan and France.

#### **A7 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

There were no material events subsequent to the date of this interim financial report.

#### **A8 CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

There are no contingent assets and contingent liabilities as at the date of this interim financial report.

#### **A9 CAPITAL COMMITMENTS**

There were no material capital commitments in respect of property, plant and equipment as at the date of this interim financial report.

#### **A9 CHANGES IN THE COMPOSITION OF THE GROUP**

The changes in the composition of the Group for the current financial period are as follows:

- (1) On 13 June 2019, NPS had incorporated and subscribed 51,000 ordinary shares for RM51,000 in Nova Hitech Solutions Sdn Bhd ("NHS") representing 51% of the total paid up capital of RM100,000 of NHS. NHS will be engaged in the business of providing total engineering solutions focusing on turnkey or engineering, procurement, construction and commissioning ("EPCC") services for advanced technology facilities.

Other than the above, there were no material changes in the composition of the Group as at the end of this interim financial report.

## **NOVA PHARMA SOLUTIONS BERHAD**

(Company No. 34608 K)

### **B ADDITIONAL INFORMATION REQUIRED UNDER THE LEAP MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

#### **B1 REVIEW OF PERFORMANCE**

##### **Half year ended 30 June 2019 (“1H19”) compared with half year ended 30 June 2018 (“1H18”)**

The Group’s revenue in 1H19 was RM3.17 million, an increase of approximately RM0.30 million or 10.56% as compared to the 1H18, which was mainly due to higher contribution from overseas biotechnology projects, partially offset by lower contribution from local pharmaceutical projects.

The higher Group’s gross profit for the 1H19 of RM1.61 million as compared to 1H18 of RM1.48 million was mainly due to higher contribution from overseas projects. The Group’s gross profit margin for 1H19 was 50.85%, a decrease of 0.6% compared with 51.45% in 1H18. The lower gross profit margin was mainly attributed to lower gross profit margin contribution from the pharmaceutical projects secured locally.

The Group’s profit after tax for 1H19 was RM0.69 million, an increase of 27.78% as compared to the 1H18 of RM0.54 million was mainly due to:

- (1) higher revenue contribution from overseas market; and
- (2) higher other income contribution due to the Group’s investment in cash management fund placement.

#### **B2 PROSPECTS**

The Board of Directors is of the view that business sentiment shall remain soft in both local and global markets for the financial year ending 31 December 2019 due to subdued sentiments around the globe. Nonetheless, the Group constantly endeavour to stay at the forefront of the engineering services for pharmaceutical and biotechnology industries and aim to deliver quality and value to its customers, while ensuring excellence and professionalism at every level of its business operations. This is achieved by providing effective, efficient and economical services.

In January 2019, the Group has registered a Representative Office in Taiwan in order to increase the marketing activities of its range of services in Taiwan market and expects the Taiwan market to continue to contribute positively to the Group’s revenue and profitability in future.

In June 2019, the Group has subscribed 51,000 ordinary shares of NHS as part of the Group’s plan to further expand its existing business through undertaking of turnkey or EPCC projects. NHS is expected to contribute positively to the Group in the near future and will enhance the Group’s capabilities in advanced technology facilities setup.

#### **B3 PROFIT FORECAST, PROFIT GUARANTEE AND INTERNAL TARGETS**

The Group did not provide any profit forecast, profit guarantee or made any internal targets as at the date of this interim financial report.

## **NOVA PHARMA SOLUTIONS BERHAD**

(Company No. 34608 K)

### **C OTHER INFORMATION**

#### **C1 STATUS OF CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at the date of this interim financial report.

#### **C2 BORROWINGS AND DEBT SECURITIES**

As at the date of this interim financial report, there were no borrowings and the Group has not issued any debt securities.

#### **C3 MATERIAL LITIGATION**

On 10 October 2018, the Company has served a Payment Claim pursuant to Section 5 of the Construction Industry Payment and Adjudication Act 2012 (CIPAA) against Oriental Maze Sdn Bhd (“OMSB”) claiming for a sum of RM437,600 with interest and costs.

The Claim is made by the Company against OMSB for failing to pay the remaining outstanding debts of RM437,600 (“Debts”) pertaining to the first phase of design works totalling RM975,200 (inclusive of Goods and Services Tax) which has been completed, delivered and invoiced by the Company to OMSB. The first phase of design works were part of the scope of work for the project pertaining to the contract agreement dated 26 August 2016 awarded by OMSB to the Company.

On 25 February 2019, the Adjudicator of Asian International Arbitration Center had pursuant to Section 12(2)(b) of the Construction Industry Payment and Adjudication Act 2012 provided its adjudication decision which awarded to and in favor of NPS of the abovesaid claim. It also orders OMSB to pay NPS, a total of RM482,899.20 together with interest at 5% per annum from 14 days after receipt of invoice 00000319 being the aggregate of the following:-

- (1) NPS’s claims of RM437,600 (in respect of Debts);
- (2) Interest rate of 5% per annum from 14 days after receipt of invoice 00000319 on the Debt;
- (3) Costs of Adjudication Proceedings of RM15,299.20; and
- (4) Legal Costs of RM30,000.00.

This litigation is still ongoing and there are no changes to the status since 25 February 2019. Any material new development will be announced in due course.

#### **C4 DIVIDENDS**

On 28 June 2019, the Company declared a final single tier dividend of 0.2 sen per ordinary share in respect of FYE 31 December 2018. The final single tier dividend shall be payable on 8 August 2019.

Entitlement to the final single tier dividend:

- (1) Shares transferred into the Depositor’s Securities Account before 4.30 p.m. on 16 July 2019 in respect of ordinary transfers; and
- (2) Shares bought on Bursa Securities on a cum entitlement basis according to the Leap Market Listing Requirements of Bursa Securities.

**NOVA PHARMA SOLUTIONS BERHAD**  
(Company No. 34608 K)

**C OTHER INFORMATION (CONT'D)**

**C5 EARNINGS/(LOSS) PER SHARE**

|   | INDIVIDUAL                      |         | CUMULATIVE                     |         |
|---|---------------------------------|---------|--------------------------------|---------|
|   | half year ended 30 June<br>2019 | 2018    | 6 months ended 30 June<br>2019 | 2018    |
| Profit attributable to owners of the Company (RM'000)     | <b>690</b>                      | 540     | <b>690</b>                     | 540     |
| Weighted average number of shares at end of period ('000) | <b>149,010</b>                  | 146,983 | <b>149,010</b>                 | 146,983 |
| Basic earnings per ordinary share (Sen)                   | <b>0.46</b>                     | 0.37    | <b>0.46</b>                    | 0.37    |

Diluted earnings per share is not computed as the Company did not have any convertible financial instruments as at the date of this interim financial report.

**C6 UTILISATION OF PROCEEDS**

The status of utilisation of proceeds raised from the Excluded Issue of RM2.46 million as at 30 June 2019 is as follows:

| Purpose                    | Proposed Utilisation<br>RM'000 | Reallocation<br>RM'000 | Actual Utilisation<br>RM'000 | Unutilised Proceeds<br>RM'000 | Estimated timeframe for utilisation upon listing |
|----------------------------|--------------------------------|------------------------|------------------------------|-------------------------------|--|
| Future business expansion  | 500                            | -                      | -                            | 500                           | Within 24 months                                 |
| Working Capital            | 960                            | 142 <sup>(1)</sup>     | (1,102)                      | -                             | Within 12 months                                 |
| Estimated listing expenses | 1,000                          | (142) <sup>(1)</sup>   | (858)                        | -                             | Within 2 weeks                                   |
| Total                      | 2,460                          | -                      | (1,960)                      | 500                           |  |

Note:

(1) The surplus of estimated listing expenses were adjusted to the amount allocated for working capital.