

ZELAN BERHAD
(Company No. : 27676-V)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

THE FIGURES HAVE NOT BEEN AUDITED

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2022 RM'000	Quarter ended 30/09/2021 RM'000	Period ended 30/09/2022 RM'000	Period ended 30/09/2021 RM'000
Revenue	5,832	11,959	27,753	33,992
Cost of sales	(1,972)	(8,206)	(14,837)	(22,038)
Gross profit	3,860	3,753	12,916	11,954
Other income	153	63	482	230
Finance income	315	6	466	19
Unwinding of discounting on long term trade receivables	-	54	72	163
Accretion in carrying value of long term receivables	5,023	5,399	15,354	16,468
Unrealised foreign exchange gain, net	5,108	1,351	12,959	5,644
Administrative expenses	(1,187)	(1,334)	(4,846)	(4,314)
Operating expenses	(393)	(328)	(1,011)	(1,065)
Depreciation	14	(225)	(100)	(651)
Finance costs on borrowings	(6,513)	(7,337)	(20,077)	(21,212)
Unwinding of discounting on long term trade payables	(184)	(238)	(624)	(705)
Share of results of associates	(4)	(5)	(13)	(16)
Profit before zakat and taxation	6,192	1,159	15,578	6,515
Tax expense	(775)	(767)	(1,683)	(1,857)
Net profit for the period	5,417	392	13,895	4,658
Other comprehensive (loss)/gain :				
Total items that may be reclassified subsequently to the profit				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange difference from translation of foreign operations	(4,406)	(2,207)	3,238	5,020
Total comprehensive profit	1,011	(1,815)	17,133	9,678
Profit for the period attributable to:				
Equity holders of the parent	5,413	400	13,886	4,666
Non-controlling interests	4	(8)	9	(8)
	5,417	392	13,895	4,658
Total comprehensive profit for the period attributable to:				
Equity holders of the parent	1,011	(1,986)	17,133	9,678
Non-controlling interests	-	171	-	-
	1,011	(1,815)	17,133	9,678
Earnings per share :				
Basic earnings per share attributable to equity holders of the Company (sen)	0.64	0.05	1.64	0.55

The Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021.

ZELAN BERHAD
(Company No. : 27676-V)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30/09/2022 RM'000	Audited As at 31/12/2021 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	3,165	3,303
Investment properties	23,186	23,186
Investments in associates	5,138	5,151
Receivables, deposits and prepayments	682,293	679,464
Deferred tax assets	887	887
Deposits, cash and bank balances (restricted)	<u>39,331</u>	<u>34,082</u>
	<u>754,000</u>	<u>746,073</u>
CURRENT ASSETS		
Receivables, deposits and prepayments	96,463	108,756
Tax recoverable	124	19
Deposits (restricted)	138	138
Deposits, cash and bank balances	<u>3,252</u>	<u>5,245</u>
	<u>99,977</u>	<u>114,158</u>
LESS: CURRENT LIABILITIES		
Trade and other payables	223,265	241,607
Borrowings	50,923	50,751
Current tax liabilities	<u>8,499</u>	<u>8,695</u>
	<u>282,687</u>	<u>301,053</u>
NET CURRENT LIABILITIES	<u>(182,710)</u>	<u>(186,895)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>571,290</u>	<u>559,178</u>
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	84,495	84,495
Reserves	<u>13,422</u>	<u>(3,711)</u>
	<u>97,917</u>	<u>80,784</u>
Non-controlling interests	<u>(327)</u>	<u>(327)</u>
TOTAL EQUITY	<u>97,590</u>	<u>80,457</u>
NON-CURRENT LIABILITIES		
Other liabilities	22,963	19,990
Borrowings	445,018	452,622
Provision for taxation	2,491	2,876
Deferred tax liabilities	<u>3,228</u>	<u>3,233</u>
	<u>473,700</u>	<u>478,721</u>
TOTAL EQUITY AND NON-CURRENT LIABILITIES	<u>571,290</u>	<u>559,178</u>
Net assets per share (RM)	<u>0.12</u>	<u>0.10</u>

The Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the financial year ended 31 December 2021.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent								
	Share Capital RM'000	Translation Reserve RM'000	Capital Reserve * RM'000	General Reserve * RM'000	Fixed Assets Reserve* RM'000	Accumulated Losses RM'000	Sub - total RM'000	Non-controlling interests RM'000	Total Equity RM'000
Nine months to 30 September 2022									
Balance as at 1 January 2022	84,495	(5,279)	35,458	4,261	1,155	(39,306)	80,784	(327)	80,457
Profit for the financial period	-	-	-	-	-	13,886	13,886	9	13,895
<u>Other comprehensive income:</u>									
Currency translation reserve	-	3,247	-	-	-	-	3,247	(9)	3,238
Total comprehensive income for the financial period	-	3,247	-	-	-	13,886	17,133	-	17,133
Balance as at 30 September 2022	84,495	(2,032)	35,458	4,261	1,155	(25,420)	97,917	(327)	97,590
Nine months to 30 September 2021									
Balance as at 1 January 2021	84,495	5,999	35,458	4,261	1,155	(43,366)	88,002	(327)	87,675
Profit/(loss) for the financial period	-	-	-	-	-	4,666	4,666	(8)	4,658
<u>Other comprehensive income:</u>									
Currency translation difference	-	5,012	-	-	-	-	5,012	8	5,020
Total comprehensive income/(loss) for the period	-	5,012	-	-	-	4,666	9,678	-	9,678
Balance as at 30 September 2021	84,495	11,011	35,458	4,261	1,155	(38,700)	97,680	(327)	97,353

* These reserves relate to net gain from disposals of investment in shares, issue of bonus shares by a subsidiary out of post-acquisition reserves and transfer of profits to a statutory reserve by certain overseas subsidiaries

The Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021.

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CONSOLIDATED STATEMENT OF CASH FLOWS

	Period Ended 30/09/2022 RM'000	Period Ended 30/09/2021 RM'000
OPERATING ACTIVITIES		
Net profit for the period attributable to equity holders of the Company	13,886	4,666
Adjustments for:		
Tax expense	1,683	1,857
Depreciation of property, plant and equipment	100	101
Depreciation of investment properties	-	550
Accretion of interest in carrying value of long term receivables	(15,354)	(16,468)
Interest income	(466)	(19)
Unwinding of discounting on long term trade receivables	(72)	(163)
Finance costs	20,077	21,212
Unwinding of discounting on long term trade payables	624	705
Net unrealised gain on foreign exchange	(12,959)	(5,644)
Non-controlling interests	(9)	(8)
Share of results of associates	13	16
	<u>7,523</u>	<u>6,805</u>
Changes in working capital :		
Receivables	24,917	36,817
Payables	(4,095)	(4,736)
Cash used in operations	<u>28,345</u>	<u>38,886</u>
Tax paid	<u>(1,311)</u>	<u>-</u>
Net cash flows generated in operating activities	<u>27,034</u>	<u>38,886</u>
INVESTING ACTIVITIES		
Interest received from deposits and investments	466	19
Net cash flows generated from investing activities	<u>466</u>	<u>19</u>
FINANCING ACTIVITIES		
Repayments of borrowings	(24,129)	(25,378)
Repayments of hire purchase creditors	(18)	(45)
Interest paid	(15,886)	(16,690)
Additional deposits pledged as security	(5,249)	(1,670)
Net cash flows used in financing activities	<u>(45,282)</u>	<u>(43,783)</u>
Net movement in cash and cash equivalents	<u>(17,782)</u>	<u>(4,878)</u>
Cash and cash equivalents at the beginning of the financial period	5,245	5,584
Currency translation differences	15,789	5,190
Cash and cash equivalents at the end of the financial period	<u>3,252</u>	<u>5,896</u>

The Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2021.

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1. Basis of Preparation

The condensed interim financial information is unaudited and has been prepared in accordance with the applicable disclosure requirements of the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed interim financial information should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021. These explanatory notes attached to the condensed interim financial information 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 2021.

The accounting policies and methods of computation adopted for the condensed interim financial information are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following effective on or after 1 January 2022:

The adoption of the above amendment to MFRS did not have a material impact on the financial statement of the Group.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 3 : Reference to the Conceptual Framework	1 January 2022
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
Amendments to MFRS 116 : Property, Plant and Equipment: Property, plant and equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 : Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

The standards, amendments, annual improvements and interpretations that are issued but not yet effective up to the date of the Group's interim financial information are disclosed below. The Group intends to adopt these standards, amendments, annual improvements and interpretations if applicable, when they become effective (cont'd):-

	Effective for annual periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Group's financial statements for the financial year ended 31 December 2021 contained a paragraph on material uncertainty relating to going concern, as follows:-

"We draw attention to Note 2.1(i) in the financial statements, which indicates that the Company incurred a net loss of RM3.04 million during the year ended 31 December 2021 and, as of that date, the Group and the Company's current liabilities exceeded the current assets by RM186.89 million and RM21.67 million respectively. As stated in Note 2.1 (i) these events or conditions, along with other matters as set forth in 2.1 (i) indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group to continue as going concerns. Our opinion is not modified in respect of this matter."

The Directors of the Company were of the opinion that the preparation of the financial statements of the Group for the year ended 31 December 2021 on a going concern basis remain appropriate given the following measures being taken and would be taken by the Group to address the material uncertainty relating to its going concern:-

- *Monitor and manage the progress of its existing construction projects;*
- *The Group will engage the project owners on potential extension of time for the on-going projects which may be delayed;*
- *Re-evaluate current contracts to optimise potential revenue and progressively reduce costs on the job scopes and services provided;*
- *Negotiate with subcontractors on the terms and timing of settlement payments for ongoing and completed projects;*
- *Receipt of retention sum from the main contractor within 12 months after the current reporting date for completed projects; and*

Based on the above, the Directors are of the view that the Group and the Company would be able to meet their liabilities and obligations as and when they fall due."

3. Seasonal or Cyclical Factors

The Group's operations were not materially affected by any seasonal or cyclical factors.

4. Unusual Items

There was no unusual item affecting assets, liabilities, equity, net income or cash flows during the current financial period because of their nature, size or incidence.

5. Changes in Estimates of Amount Reported Previously

There was no change in estimates of amounts previously reported that has a material effect in the current financial period.

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6. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial period.

7. Dividend

For the current financial quarter, no dividend has been declared. For the preceding year's corresponding period, no dividend was declared.

8. Segmental Reporting

Segment analysis for the current financial quarter ended 30 September 2022 is as follows:

The Group's revenue comprises the following:

	Engineering and Construction RM '000	Asset Management Services RM '000	Others RM '000	Total RM '000
Revenue				
Segment revenue	-	5,327	505	5,832
	-	5,327	505	5,832
Results				
Segment profit/(loss)	4,633	8,992	(732)	12,893
Finance costs	(994)	(5,701)	(2)	(6,697)
Share of results of associates	(4)	-	-	(4)
Profit/(loss) before zakat and taxation	3,635	3,291	(734)	6,192
Tax expense	(146)	(573)	(56)	(775)
Net profit/(loss) after zakat and taxation	3,489	2,718	(790)	5,417
Attributable to:				
Equity holders of the parent	3,485	2,718	(790)	5,413
Non-controlling interests	4	-	-	4
	3,489	2,718	(790)	5,417

	Quarter ended 30/09/2022 RM'000	Quarter ended 30/09/2021 RM'000
Revenue from contracts with customers	-	5,349
Asset Facilities Management	5,327	6,145
Others	505	465
	5,832	11,959

The Group's revenue from contracts with customers is all derived from within Malaysia and are recognised over time.

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9. Material Events Subsequent to the End of the Reporting Period

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

10. Changes in Composition of the Group

There was no change in the composition of the Group during the current financial period.

11. Changes in Contingent Liabilities or Contingent Assets

As at 30 September 2022, the Company had given a guarantee amounting to RM12,880,410 (Q3 FY2021: RM12,880.410) to the owner of the project as security for the subsidiary's performance of its obligations under the relevant project.

12. Review of Performance

(i) Financial review for the current quarter and financial period to date

	Individual Quarter			Cumulative Quarter		
	Current	Year	Preceding Year	9 Months	Preceding Year	
	Quarter	Quarter	Corresponding	Ended	9 Months	Ended Changes
	30-09-2022	30-09-2021	Quarter Changes	30-09-2022	30-09-2021	
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue	5,832	11,959	(6,127)	27,753	33,992	(6,239)
Operating profit	2,294	1,866	428	6,959	5,924	1,035
Non Operating loss	(1,206)	(2,053)	847	(4,327)	(5,037)	710
Net foreign exchange gain	5,108	1,351	3,757	12,959	5,644	7,315
Share of results of associates	(4)	(5)	1	(13)	(16)	3
Profit before zakat and taxation	6,192	1,159	5,033	15,578	6,515	9,063

The Group's revenue of RM5.8 million for the current quarter ended 30 September 2022 was lower than the revenue of RM11.9 million registered in the same quarter of FY2021 by RM6.1 million. Lower revenue principally due to no revenue from the Projek Penswastaaan Lebuhraya Bertingkat Sungai Besi- Ulu Kelang Package SUKE: Package CB2 ("SUKE Project"). (Q3 2021: RM5.3 million).

The Group reported a profit before zakat and taxation ("PBZT") of RM6.2 million in the current quarter under review compared to a PBZT of RM1.1 million in the corresponding quarter of FY2021. This is mainly attributable to higher recognition of unrealised foreign exchange gain for current quarter of RM5.1 million as compared to RM1.3 million in the corresponding quarter.

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12. Review of Performance

(ii) Financial review for current quarter compared with immediate preceding quarter

	Individual Quarter		Variance RM '000
	Quarter ended	Quarter ended	
	30-09-2022 RM '000	30-06-2022 RM '000	
<u>Revenue</u>			
Asset Management Services	5,327	6,580	(1,253)
Others	505	508	(3)
Total	5,832	7,088	(1,256)

In the current quarter ended 30 September 2022, the Group reported lower revenue by RM1.3 million compared to the immediate preceding quarter. The lower revenue in the current quarter is mainly attributable to lower contribution from Asset Management Services.

13. Prospects

Moving forward in light of the prevailing challenges in the construction industry, the Group will continue to manage the business with diligence and remain cautious of its future prospects. The Group is actively participating in tender exercises in the efforts to pursue new projects whilst continuously implementing strategies to control costs.

With the completion of SUKE Project, the Group's current revenue is principally derived from the Asset Management Service ("AMS") at Centre for Foundation Studies (Phase 3) International Islamic University Malaysia, Gambang Campus, Pahang Darul Makmur ("IIUM Gambang Project").The provision of AMS is in accordance with the terms and conditions of the Concession Agreement which has been executed with the Government of Malaysia and International Islamic University Malaysia ("IIUM"). The income from the IIUM Gambang Project will enable the Group to have a stable income stream for the tenure of the concession till 2035.

14. Profit Forecast or Profit Guarantee

There was no profit forecast or profit guarantee issued in a public document for the current financial quarter.

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15. Taxation

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30-09-2022 RM '000	Preceding year corresponding quarter 30-09-2021 RM '000	9 months ended 30-09-2022 RM '000	9 months ended 30-09-2021 RM '000
Malaysian income tax - current	777	767	1,688	1,859
Deferred tax	(2)	-	(5)	(2)
Tax expense	775	767	1,683	1,857

For the financial period ended 30 September 2022, the taxation charge arose mainly from certain profit-making subsidiary companies and certain expenses which were not deductible for income tax purposes.

16. Status of Corporate Proposals Announced

There is no outstanding corporate proposal announced up to the date of this announcement.

17. Borrowings

Details of the Group's borrowings as at 30 September 2022 are as follows:

	As at 30.09.2022					
	Short term borrowings		Long term borrowings		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
	AED '000	RM '000	AED '000	RM '000	AED '000	RM '000
Secured						
Term loan	6,300	7,948	87,174	109,979	93,474	117,927
Islamic financing	-	42,952	-	334,985	-	377,937
Unsecured						
Hire purchase	-	23	-	54	-	77
	6,300	50,923	87,174	445,018	93,474	495,941
^ Exchange rate: AED1 = RM1.2616						
	As at 30.09.2021					
	Short term borrowings		Long term borrowings		Total borrowings	
	Foreign denomination	RM denomination	Foreign denomination	RM denomination	Foreign denomination	RM denomination
	AED '000	RM '000	AED '000	RM '000	AED '000	RM '000
Secured						
Term loan	6,300	7,177	82,367	93,832	88,667	101,009
Islamic financing	-	38,125	-	370,510	-	408,635
Unsecured						
Hire purchase	-	60	-	55	-	115
	6,300	45,362	82,367	464,397	88,667	509,759
^ Exchange rate: AED1 = RM1.1392						

18. Changes in Material Litigation

Details of the significant litigations during the financial period are as follows:

Projects in Malaysia

- a) In relation to a project in Malaysia, a subsidiary company, Zelan Construction Sdn Bhd ("ZCSB") had commenced an arbitration proceeding against its sub-contractor appointed for the development and construction of the Centre for Foundation Studies International Islamic University Malaysia, Gambang Campus, Pahang Darul Makmur ("IIUM Gambang Project"). The amount of reliefs sought against the sub-contractor in the Amended Statement of Case dated 17 June 2020 is approximately RM258 mil. The sub-contractor had filed its Amended Statement of Defence and Counterclaim dated 19 July 2020 for the sum of RM20,150,640.55 being the unpaid certified invoices, retention sum, outstanding variation order and GST. As directed by the arbitrator, ZCSB submitted a Scott Schedule consisting of supporting documentations for claim on rectification cost against its sub-contractor in the sum of RM59,894,944.56. Subsequently, ZCSB has submitted a Re Amended Scott Schedule for a revised rectification cost of RM 45,905,466.33.

ZCSB appointed an expert witness for Quantum and Liability respectively to support its claim against its sub-contractor for this arbitration proceeding whereby the expert witnesses will provide their expert opinions/Reports to support ZCSB's claim.

The Hearing dates are fixed on 5-9 December 2022, 11-13 January 2023 and 21-24 February 2023.

As at to date, both parties have complied with the following:-

- (a) Filing and exchange of the Witness Statements on 11.10.2022; and
(b) Filing and exchange of Expert Reports for Liability and Quantum on 1.11.2022 respectively.

Parties are currently complying with the procedural timelines of the proceeding with the filing of the Rebuttal Witness Statements tentatively due on 22 November 2022 and Rebuttal Expert Reports (Quantum and Liability) tentatively due on 6 December 2022.

Additional Hearing dates for the proceeding have been fixed on 27-29 March 2023 and 11-14 April 2023.

- b) In relation to a project in Malaysia, a subsidiary company, ZCSB had commenced an arbitration proceeding against its lead consultant appointed for the development and construction of the IIUM Gambang Project. The amount of claim sought against the consultant in the Statement of Case dated 12 April 2021 is approximately RM191mil. To this, the consultant had filed its Statement of Defence and Counterclaim dated 28 May 2021 for the sum of RM1,585,942.99 being the unpaid consultancy fees, supervision fees and additional supervision fees.

ZCSB has appointed an expert witness for Quantum and Liability respectively to support its claim against its lead consultant for this arbitration proceeding whereby the expert witnesses will provide their expert opinions/Reports to support ZCSB's claim.

On 28 February 2022, both parties submitted their respective Witness Statements and ZCSB submitted its expert report (Quantum). On 28 July 2022, the lead consultant submitted its expert report (Quantum) in reply to ZCSB's expert report (Quantum).

18. Changes in Material Litigation (Continued)

Details of the significant litigations during the financial year are as follows: (continued)

Projects in Malaysia (continued)

On 25 August 2022, both parties submitted their Rebuttal Witness Statements. ZCSB has submitted its expert report (Liability) on 28 September 2022 and its rebuttal expert report (Quantum) on 26 October 2022.

Parties are currently complying with the procedural timelines of the proceeding with the Rebuttal Expert's Report (Liability) tentatively due on 15.12.2022, Consultant's Rebuttal Expert's Report (Quantum) tentatively due on 15.12.2022, and Joint Experts' Report tentatively to be submitted one (1) month after finalisation of both Rebuttal Reports by the Experts on Liability and Quantum.

Additional Hearing dates for the proceeding have been fixed on 17-19 April 2023, 27-28 April 2023, 12-15 June 2023, and 19-21 June 2023.

- c) In relation to a project in Malaysia, a subsidiary company, ZCSB received two (2) Writ of Summons and Statement of Claims, both dated 13 June 2017 from its sub-contractor in respect of disputes and differences arising from outstanding claims for dredging works in the sum of RM2,626,311.27 and shore protection works in the sum of RM2,276,931.68 in relation to the project in Tanjung Setapa, Johor, Malaysia. ZCSB filed its Statement of Defence and Counterclaim dated 3 October 2017 to claim for losses and damages in carrying out dredging works for the balance quantity of RM247,384m³ left undone by the sub-contractor in the sum of RM4,976,998.76.

On 19 January 2020, the High Court delivered its decisions as follows ("High Court's decision"):-

- (i) Both suits filed by the sub-contractor are dismissed with a cost of RM10,000.00 each; and
- (ii) ZCSB's counterclaim is allowed with losses and damages in carrying out dredging works for the balance quantity of 247,384m³ to be assessed by Court by way of assessment of damages proceeding.

On 14 February 2020, ZCSB filed for Notice of Direction for the assessment of damages to be assessed by Court and the sub-contractor filed two (2) Notices of Appeal in the Court of Appeal ("COA"), Putrajaya against the High Court's decision ("the Sub-Contractor's Appeal at COA")

On 2 September 2020, the High Court dismissed the sub-contractor's Notice of Application for Stay of Proceedings dated 14 May 2020 to have all forms of assessment of damages proceeding from and/or related to the High Court's decision be stayed pending conclusion of the sub-contractor's appeal at COA

After reviewing the Grounds of Judgment from the High Court, ZCSB filed its Motion for Leave to Appeal dated 3 November 2020 in the Court of Appeal, Putrajaya against the High Court's decision for the direction that ZCSB's counterclaim is required to be assessed by way of assessment of damages proceeding ("ZCSB's appeal at COA").

On 11 November 2020, ZCSB filed its Notice of Application for Stay of Proceedings in the High Court on the assessment of damages proceeding pending disposal of ZCSB's appeal at COA.

On 27 January 2021, the Court of Appeal allowed ZCSB's appeal at COA out of time and ordered the assessment of damages proceeding in the High Court to stay until disposal of ZCSB's appeal at COA.

On 17 November 2021, the Court of Appeal dismissed the Sub-Contractor's Appeal at COA and allowed ZCSB's Appeal at the COA with cost to be paid by the sub-contractor to ZCSB.

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18. Changes in Material Litigation (Continued)

Details of the significant litigations during the financial year are as follows: (continued)

Projects in Malaysia (continued)

On 17 December 2021, the sub-contractor filed three (3) Notices of Motion each dated 16 December 2021, for leave to appeal at the Federal Court ("FC") against all the decisions of the Court of Appeal ("the Sub-Contractor's Appeals at the FC"). The appeal is fixed for hearing on 16 January 2023.

The Assessment of Damages proceeding in the High Court is fixed for Case Management via Skype on 30 January 2023.

19. Earnings Per Share

The basic earnings per share for the financial quarter were calculated based on the Group's profit attributable to the equity holders of the Company, divided by the number of ordinary shares in issue during the financial quarter.

	Individual Quarter		Cumulative Quarter	
	3 months Quarter ended	3 months Quarter ended	9 months Period ended	9 months Period ended
	30-09-2022	30-09-2021	30-09-2022	30-09-2021
Profit attributable to equity holders of the parent (RM'000)	5,413	400	13,886	4,666
Number of ordinary shares in issue ('000)	844,895	844,895	844,895	844,895
Basic earnings per share (sen)	0.64	0.05	1.64	0.55

20. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 23 November 2022.

By order of the Board

Yusrenawati binti Mohd Yusof
Secretary

Kuala Lumpur
23 November 2022