

ZELAN BERHAD
(Company No. : 27676-V)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

THE FIGURES HAVE NOT BEEN AUDITED

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Year ended	Year ended
	31/03/2023 RM'000	31/03/2022 RM'000	31/03/2023 RM'000	31/03/2022 RM'000
Revenue	9,689	14,833	9,689	14,833
Cost of sales	<u>(4,924)</u>	<u>(10,565)</u>	<u>(4,924)</u>	<u>(10,565)</u>
Gross profit	4,765	4,268	4,765	4,268
Other income	128	166	128	166
Finance income	20	12	20	12
Discounting on trade receivables and trade payables	(142)	(180)	(142)	(180)
Accretion in carrying value of receivables	4,828	5,213	4,828	5,213
Unrealised foreign exchange gain, net	1,220	1,144	1,220	1,144
Administrative expenses	(1,181)	(1,624)	(1,181)	(1,624)
Operating expenses	(197)	(563)	(197)	(563)
Depreciation	(14)	(60)	(14)	(60)
Finance costs on borrowings	(7,094)	(6,753)	(7,094)	(6,753)
Share of results of associates	(45)	(5)	(45)	(5)
Profit before zakat and taxation	2,288	1,618	2,288	1,618
Tax expense	<u>(559)</u>	<u>(395)</u>	<u>(559)</u>	<u>(395)</u>
Net profit for the period	<u>1,729</u>	<u>1,223</u>	<u>1,729</u>	<u>1,223</u>
Other comprehensive gain/(loss) :				
<u>Total items that may be reclassified subsequently to profit or loss :</u>				
Exchange difference from translation of foreign operations	6	12,305	6	12,305
Total comprehensive income for the period	<u>1,735</u>	<u>13,528</u>	<u>1,735</u>	<u>13,528</u>
Profit for the period attributable to:				
Equity holders of the parent	1,712	1,225	1,712	1,225
Non-controlling interests	<u>17</u>	<u>(2)</u>	<u>17</u>	<u>(2)</u>
	<u>1,729</u>	<u>1,223</u>	<u>1,729</u>	<u>1,223</u>
Total comprehensive profit for the period				
attributable to:				
Equity holders of the parent	1,735	13,528	1,735	13,528
Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,735</u>	<u>13,528</u>	<u>1,735</u>	<u>13,528</u>
Earnings per share :				
Basic earnings per share attributable to equity holders of the Company (sen)	<u>0.20</u>	<u>0.14</u>	<u>0.20</u>	<u>0.14</u>

The Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

ZELAN BERHAD
(Company No. : 27676-V)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31/03/2023 RM'000	Audited As at 31/12/2022 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	3,075	3,090
Investment properties	23,186	23,186
Investments in associates	5,088	5,133
Receivables, deposits and prepayments	648,271	654,585
Deferred tax assets	887	887
Deposits, cash and bank balances (restricted)	42,870	41,186
	<u>723,377</u>	<u>728,067</u>
CURRENT ASSETS		
Receivables, deposits and prepayments	69,180	69,668
Tax recoverable	32	16
Deposits (restricted)	139	139
Deposits, cash and bank balances	3,584	3,427
	<u>72,935</u>	<u>73,250</u>
LESS: CURRENT LIABILITIES		
Trade and other payables	187,191	190,129
Borrowings	50,052	50,006
Current tax liabilities	10,109	9,916
	<u>247,352</u>	<u>250,051</u>
NET CURRENT LIABILITIES	<u>(174,417)</u>	<u>(176,801)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>548,960</u>	<u>551,266</u>
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	84,495	84,495
Reserves	3,162	1,427
	<u>87,657</u>	<u>85,922</u>
Non-controlling interests	(327)	(327)
TOTAL EQUITY	<u>87,330</u>	<u>85,595</u>
NON-CURRENT LIABILITIES		
Other liabilities	28,365	26,688
Borrowings	428,128	433,673
Provision for taxation	1,909	2,082
Deferred tax liabilities	3,228	3,228
	<u>461,630</u>	<u>465,671</u>
TOTAL EQUITY AND NON-CURRENT LIABILITIES	<u>548,960</u>	<u>551,266</u>
Net assets per share (RM)	<u>0.10</u>	<u>0.10</u>

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent								
	Share Capital RM'000	Foreign Exchange Reserve RM'000	Capital Reserve * RM'000	General Reserve * RM'000	Revaluation Reserve* RM'000	Accumulated Losses RM'000	Sub - total RM'000	Non-controlling interests RM'000	Total Equity RM'000
Three months to 31 March 2023									
Balance as at 1 January 2023	84,495	1,984	35,458	4,261	1,155	(41,431)	85,922	(327)	85,595
Profit for the financial period	-	-	-	-	-	1,712	1,712	17	1,729
<u>Other comprehensive income/(loss):</u>									
Currency translation reserve	-	23	-	-	-	-	23	(17)	6
Total comprehensive loss/income for the financial period	-	23	-	-	-	1,712	1,735	-	1,735
Balance as at 31 March 2023	84,495	2,007	35,458	4,261	1,155	(39,719)	87,657	(327)	87,330
Three months to 31 March 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/(loss) for the financial period	-	-	-	-	-	1,225	1,225	(2)	1,223
<u>Other comprehensive income:</u>									
Currency translation difference	-	12,303	-	-	-	-	12,303	2	12,305
Total comprehensive income for the period	-	12,303	-	-	-	1,225	13,528	-	13,528
Balance as at 31 March 2022	84,495	7,024	35,458	4,261	1,155	(38,081)	94,312	(327)	93,985

* 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 2022.

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CONSOLIDATED STATEMENT OF CASH FLOWS

	Period Ended 31/03/2023 RM'000	Period Ended 31/03/2022 RM'000
OPERATING ACTIVITIES		
Net profit for the year attributable to equity holders of the Company	1,712	1,225
Adjustments for:		
Tax expense	559	395
Depreciation of property, plant and equipment	14	60
Accretion of interest in carrying value of long term receivables	(4,828)	(5,213)
Finance income	(20)	(12)
Discounting on trade receivables and trade payables	142	180
Finance costs	7,094	6,753
Net unrealised gain on foreign exchange	(1,220)	(1,144)
Non-controlling interests	17	(2)
Share of results of associates	45	5
	<u>3,515</u>	<u>2,247</u>
Changes in working capital :		
Receivables	19,132	(5,817)
Payables	(7,306)	19,878
Cash used in operations	15,341	16,308
Tax paid	(542)	(136)
Net cash flows generated in operating activities	<u>14,799</u>	<u>16,172</u>
INVESTING ACTIVITIES		
Dividends received from deposits	20	12
Net cash flows generated from investing activities	<u>20</u>	<u>12</u>
FINANCING ACTIVITIES		
Repayments of borrowings	(13,002)	(13,002)
Repayments of hire purchase creditors	-	(6)
Additional deposits pledged as security	(1,684)	(1,670)
Net cash flows used in financing activities	<u>(14,686)</u>	<u>(14,678)</u>
Net movement in cash and cash equivalents	133	1,506
Cash and cash equivalents at the beginning of the financial period	3,427	5,245
Currency translation differences	24	(587)
Cash and cash equivalents at the end of the financial period	<u>3,584</u>	<u>6,164</u>

The Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

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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 2022. 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 2022.

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 2022 except for the adoption of the following effective on or after 1 January 2023:

The adoption of the following amendments to MFRS that are mandatory for annual periods beginning on or after 1 January 2023. Adoption of the standards did not have any material impact on the financial performance or position of the Group.

Description	Effective for annual periods beginning on or after
MFRS 17 : Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Presentation of Financial Statements	1 January 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates	1 January 2023
Amendments to MFRS 112 : Income Taxes	1 January 2023

New MFRS that have been issued, but only effective for annual periods beginning on or after 1 January 2024

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16 : Leases	1 January 2024
Amendments to MFRS 101: Presentation of Financial Statements	1 January 2024
Amendments to MFRS 10 : Consolidated Financial Statements	Deferred
Amendments to MFRS 128 : Investments in Associates and Joint Ventures	Deferred

2. Auditors’ Report on Preceding Annual Financial Statements

The Group’s External Auditors, Nexia SSY PLT, have expressed a disclaimer of opinion on the Group’s Audited Financial Statements for the financial year ended 31 December 2022.

The auditors’ basis for disclaimer of opinion has been disclosed in the Independent Auditors’ Report section of the Annual Report of Group for the year ended 31 December 2022 (page 157 to page 160).

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2. Auditors' Report on Preceding Annual Financial Statements

In relation to disclaimer of opinion disclosed in the Independent Auditors' Report mentioned above, the Group has taken necessary steps as stated below:-

i. *Opening balances*

The Group is in the midst of reconciling the opening intercompany balances between certain receivables and payables which will be eliminated at Group level.

ii. *Going concern*

(a) *Trade receivables*

The Group will continue to pursue all the efforts towards recovery of the carrying value of receivables for the Group project in Abu Dhabi, United Arab Emirates amounting to RM241.76 million.

(b) *Borrowings*

The Group is closely following-up with the bank's representative in Dubai, United Arab Emirates to secure the approval for the debt restructuring plan in respect of the outstanding loans.

iii. *Balances Subject to Verification*

The Group is in the midst of compiling the relevant documentation to confirm the accuracy and completeness of balances.

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.

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.

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8. Segmental Reporting

Segment analysis for the current financial quarter ended 31 March 2023 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	3,011	6,173	505	9,689
	<u>3,011</u>	<u>6,173</u>	<u>505</u>	<u>9,689</u>
Results				
Segment profit/(loss)	1,128	8,645	(345)	9,428
Finance costs	(1,602)	(5,492)	-	(7,094)
Share of results of associates	(46)	-	-	(46)
(Loss)/profit before zakat and taxation	(520)	3,153	(345)	2,288
Tax expense	(58)	(501)	-	(559)
Net (loss)/profit after zakat and taxation	<u>(578)</u>	<u>2,652</u>	<u>(345)</u>	<u>1,729</u>

	Quarter ended 31/03/2023 RM'000	Quarter ended 31/03/2022 RM'000
Revenue from contracts with customers	3,011	8,358
Asset Facilities Management	6,173	6,002
Others	505	473
	<u>9,689</u>	<u>14,833</u>

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

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 31 March 2023, the Company had given a guarantee amounting to RM12,880,410 (Q1 FY2022: RM12,880,410) to the owner of the project as security for the subsidiary's performance of its obligations under the relevant project.

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12. Review of Performance

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

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/03/2023	Preceding Year Corresponding Quarter 31/03/2022	Changes	3 Months Ended 31/03/2023	Preceding Year 3 Months Ended 31/03/2022	Changes
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue	9,689	14,833	(5,144)	9,689	14,833	(5,144)
Operating profit	3,387	2,081	1,306	3,387	2,081	1,306
Non Operating loss	(2,274)	(4,187)	1,913	(2,274)	(4,187)	1,913
Net foreign exchange gain	1,220	3,729	(2,509)	1,220	3,729	(2,509)
Share of results of associates	(45)	(5)	(40)	(45)	(5)	(40)
Profit before zakat and taxation	2,288	1,618	670	2,288	1,618	670

The Group's revenue of RM9.7 million for the current quarter ended 31 March 2023 was lower than the revenue of RM14.8 million registered in the same quarter of FY2022 by RM5.1 million. Lower revenue principally due to lower revenue from local projects.

The Group reported a profit before zakat and taxation ("PBZT") of RM2.3 million in the current quarter under review compared to a PBZT of RM1.6 million in the corresponding quarter of FY2022. This is mainly due to lower administrative and operating expenses.

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

	Individual Quarter		Variance RM '000
	Quarter ended 31/03/2023	Quarter ended 31/12/2022	
	RM '000	RM '000	
Revenue			
Engineering and Construction	3,011	8,889	(5,878)
Asset Management Services	6,173	15,048	(8,875)
Others	505	584	(79)
Total	9,689	24,521	(14,832)

In the current quarter ended 31 March 2023, the Group reported lower revenue by RM14.8 million compared to the preceding quarter. The lower revenue for current quarter is principally due to lower revenue from local project and no additional approval for variation order or reversal of provision in current quarter.

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13. Prospect

The Group is undergoing a transition phase as it focuses on its efforts to address the PN17 status. The Group will continue to look for new opportunities to enhance its order book value and is cautiously optimistic of the future prospects of the Group.

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.

15. Taxation

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31.03.2023 RM '000	Preceding year corresponding quarter 31.03.2022 RM '000	3 months ended 31.03.2023 RM '000	3 months ended 31.03.2022 RM '000
Malaysian income tax - current	559	397	559	397
Deferred tax	-	(2)	-	(2)
Tax expense	<u>559</u>	<u>395</u>	<u>559</u>	<u>395</u>

For the financial period ended 31 March 2023, 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.

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17. Borrowings

Details of the Group's borrowings as at 31 March 2023 are as follows:

As at 31.03.2023						
	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	7,577	89,341	107,451	95,641	115,028
Islamic financing	-	42,475	-	320,677	-	363,152
	6,300	50,052	89,341	428,128	95,641	478,180
^ Exchange rate: AED1 = RM1.2027						
As at 31.03.2022						
	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	7,214	85,210	97,574	91,510	104,788
Islamic financing	-	43,981	-	349,282	-	393,263
Unsecured						
Hire purchase	-	30	-	75	-	105
	6,300	51,225	85,210	446,931	91,510	498,156
^ Exchange rate: AED1 = RM1.1451						

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 Re-Amended Statement of Case dated 24 January 2022 is approximately RM258 million *inter alia*, for the following:-
- (i) Direct costs, losses, expenses and/or damages incurred by ZCSB pursuant to ZCSB's measures to prevent or minimize the sub-contractor's delay in completing the work;
 - (ii) Costs and expenses incurred by IIUM and the Concession Company as a result of delay in completion of the sub-contractor's works;
 - (iii) Costs of rectification and reinstatement works incurred by ZCSB; and
 - (iv) Damages as a result of the sub-contractor's delay in completing its works.

The sub-contractor had filed its Re-Amended Statement of Defence and Counterclaim dated 31 January 2022, claiming for approximately 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.

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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)

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.

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

- (a) Filing and exchange of the Witness Statements on 11 October 2022;
- (b) Filing and exchange of Expert Reports for Liability and Quantum on 1 November 2022 respectively; and
- (c) Filing and exchange of the Rebuttal Witness Statements on 13 February 2023; and
- (d) Filing and exchange of Rebuttal Expert Reports for Liability and Quantum on 24 March 2023 respectively.

The next Hearing dates for the proceeding have been fixed on 3-5 July 2023, 24-25 August 2023 and 5-7, 19-20, 22, 25-27 and 29 September 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 RM191 million *inter alia* for the following:-
 - (i) As-built drawings or costs incurred by ZCSB in preparing the As-built drawings;
 - (ii) Special Damages being refund to IIUM for the Non-Conformance/Deviation Items;
 - (iii) Special Damages being cost in rectifying the Non-Conformance/Deviation Items;and
 - (iv) Other costs, losses, expenses and/or damages suffered by ZCSB pursuant to the breach by the lead consultant.

The lead 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.

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

- (a) Filing and exchange of Witness Statements on 28 February 2022 and ZCSB submitted its Expert Report (Quantum) on the same date;
- (b) The lead consultant submitted its Expert Report (Quantum) in reply to ZCSB's expert report (Quantum) on 28 July 2022;
- (c) Filing and exchange of Rebuttal Witness Statements on 25 August 2022;
- (d) ZCSB submitted its Expert Report (Liability) on 14 October 2022 and its Rebuttal Expert Report (Quantum) on 26 October 2022; and
- (e) Both parties submitted the Rebuttal Expert's Report (Liability) on 29 December 2022 and the lead consultant has submitted its Rebuttal Expert's Report (Quantum) on 22 December 2022.

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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 25 March 2023, both parties have submitted Joint Experts' Report (Liability and Quantum).

The next Hearing dates for the proceeding have been fixed on 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 247,384m³ 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.

On 17 December 2021, the Sub-Contractor filed three (3) Notices of Motion for Leave to Appeal to the Federal Court against the Court of Appeal Decision ("the Leave Applications"). The Leave Applications have been fixed for Hearing on **13 June 2023**.

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19. Earnings Per Share

The basic earnings per share for the financial quarter were calculated based on the Group's (loss)/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 31.03.2023	3 months Quarter ended 31.03.2022	3 months Year ended 31.03.2023	3 months Year ended 31.03.2022
Profit attributable to equity holders of the parent (RM'000)	1,712	1,225	1,712	1,225
Number of ordinary shares in issue ('000)	844,895	844,895	844,895	844,895
Basic earnings per share (sen)	0.20	0.14	0.20	0.14

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 30 May 2023.

By order of the Board

Yusrenawati binti Mohd Yusof
Secretary

Kuala Lumpur
30 May 2023