

Sapura Resources Berhad
Unaudited Financial Results Q3FY2023
Year Ending 31 January 2023



SAPURA RESOURCES BERHAD
(Company No.: 195701000235 (3136-D))

Interim Financial Statements for the 3rd Quarter Ended 31 October 2022

The Board of Directors hereby announce the
Unaudited financial results of the Group for the 3rd Quarter Ended 31 October 2022

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SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q3FY2023
YEAR ENDING 31 JANUARY 2023

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))
Unaudited Condensed Consolidated Statements of Comprehensive Income
for the 3rd Quarter Ended 31 October 2022

	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
		Unaudited	Unaudited	Unaudited	Unaudited
		31.10.2022	31.10.2021	31.10.2022	31.10.2021
		RM'000	RM'000	RM'000	RM'000
Revenue		14,657	11,420	40,203	34,270
Operating expenses		(21,884)	(135,766)	(59,739)	(164,524)
Other income	3	34,472	429	35,376	1,476
Operating profit/(loss)		27,245	(123,917)	15,840	(128,778)
Finance Income		390	-	390	-
Finance costs		(9,792)	(2,346)	(29,354)	(3,029)
Profit/ (Loss) before tax before share of result		17,843	(126,263)	(13,124)	(131,807)
Share of result of an associate		1,336	(271)	(822)	(248)
Share of result of joint ventures		(2,714)	(11,299)	(6,328)	(28,260)
Profit/(Loss) before tax		16,465	(137,833)	(20,274)	(160,315)
Taxation	17	-	-	-	(670)
Profit/ (Loss) after tax, representing total comprehensive profit/ (loss) for the period		16,465	(137,833)	(20,274)	(160,985)
Profit/ (Loss), represent total comprehensive profit/ (loss) for the period attributable to:					
Owners of the parent		16,528	(137,705)	(20,234)	(160,589)
Non-controlling interests		(63)	(128)	(40)	(396)
		16,465	(137,833)	(20,274)	(160,985)
Earnings per share attributable to Owners of the parent (sen):					
Basic, profit/(loss) for the period	25	11.84	(98.64)	(14.49)	(115.04)
		11.84	(98.64)	(14.49)	(115.04)

These unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2022.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q3FY2023
YEAR ENDING 31 JANUARY 2023

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))

Unaudited Condensed Consolidated Statement of Financial Position as at 31 October 2022

	Note	Unaudited 31.10.2022 RM'000	Audited 31.01.2022 RM'000
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		25,280	28,774
Investment properties		393,394	415,028
Right-of-use assets		14,529	11,202
Finance lease receivable		30,922	-
Other Receivables		3,911	3,911
Intangible assets	18	-	-
Investments in an associate		17,023	17,846
Investments in joint ventures		184,769	170,098
		<u>669,828</u>	<u>646,859</u>
CURRENT ASSETS			
Trade and other receivables		13,274	8,439
Prepayments		2,215	1,874
Tax recoverable		2,233	2,173
Other current financial assets	19	10	20
Short term investment		-	12,943
Cash and cash equivalents		38,527	28,583
		<u>56,259</u>	<u>54,032</u>
TOTAL ASSETS		<u>726,087</u>	<u>700,891</u>
EQUITY AND LIABILITIES			
Equity attributable to Owners of the Parent			
Share capital		139,600	139,600
Other reserves		2,581	2,581
Accumulated losses		(21,936)	(1,702)
Equity attributable to owners of the parent		120,245	140,479
Non-controlling interests		(2,212)	(2,172)
Total Equity		<u>118,033</u>	<u>138,307</u>
Non-current liabilities			
Lease liabilities		485,888	478,772
Loans and borrowings	23	85	121
		<u>485,973</u>	<u>478,893</u>
Current Liabilities			
Trade and other payables	21	92,539	45,543
Provisions	22	9,890	12,275
Lease liabilities		15,139	13,753
Loans and borrowings	23	4,513	12,120
		<u>122,081</u>	<u>83,691</u>
Total liabilities		<u>608,054</u>	<u>562,584</u>
TOTAL EQUITY AND LIABILITIES		<u>726,087</u>	<u>700,891</u>
NET ASSETS PER SHARE (RM)		<u>0.85</u>	<u>0.99</u>

These unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2022.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q3FY2023
YEAR ENDING 31 JANUARY 2023

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))
Unaudited Condensed Consolidated Statement of Changes in Equity
for the 3rd Quarter Ended 31 October 2022

	<-----Attributable to owners of the parent----->					
	Share Capital	<- Non- distributable-> Capital Reserve	<----- Distributable-----> General Reserve	Retained Profits	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1.2.2022	139,600	1,481	1,100	(1,702)	(2,172)	138,307
Total comprehensive loss for the period	-	-	-	(20,234)	(40)	(20,274)
At 31.10.2022	<u>139,600</u>	<u>1,481</u>	<u>1,100</u>	<u>(21,936)</u>	<u>(2,212)</u>	<u>118,033</u>
At 1.2.2021	139,600	1,481	1,100	261,783	(889)	403,075
Total comprehensive loss for the period	-	-	-	(160,589)	(396)	(160,985)
At 31.10.2021	<u>139,600</u>	<u>1,481</u>	<u>1,100</u>	<u>101,194</u>	<u>(1,285)</u>	<u>242,090</u>

These unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2022.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q3FY2023
YEAR ENDING 31 JANUARY 2023

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))
Unaudited Condensed Consolidated Statement of Cash Flows
for the 3rd Quarter Ended 31 October 2022

	Unaudited for the Period ended 31.10.2022 <u>RM'000</u>	Unaudited for the Period ended 31.10.2021 <u>RM'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(20,274)	(160,315)
Adjustment for:		
Non-cash items	(6,401)	<u>153,292</u>
(Loss)/profit before working capital changes	(26,675)	(7,023)
Net change in current assets	(5,255)	1,681
Net change in current liabilities	44,611	(29,292)
Net tax paid	(60)	438
Net cash generated from/(used in) operating activities	<u>12,621</u>	<u>(34,196)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non current assets	(1,618)	(2,293)
Profits distribution received from short term investment	161	643
Profits distribution received from short term deposit	93	40
Proceeds from disposal of property, plant and equipment	642	-
Net withdrawal from short term investment	12,943	34,393
Net cash generated from/(used in) investing activities	<u>12,220</u>	<u>32,783</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of lease liabilities	(4,287)	(8,446)
Interest paid	(373)	(124)
Net withdrawal of hire-purchase	(27)	(65)
Net drawdown/(repayment) of other short term borrowings	(7,605)	5,000
Grant received	-	3,549
Net cash (used in)/generated from financing activities	<u>(12,292)</u>	<u>(86)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	12,549	(1,499)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>21,513</u>	<u>13,999</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>34,062</u>	<u>12,500</u>
CASH AND CASH EQUIVALENTS		
CASH IN HAND AND BANKS	21,320	18,095
SHORT-TERM DEPOSITS	17,207	-
BANK OVERDRAFTS	<u>(4,465)</u>	<u>(5,595)</u>
	<u>34,062</u>	<u>12,500</u>

These unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2022.

EXPLANATORY NOTES

1 BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report is in compliance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the explanatory notes attached to the interim financial statements which 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.

The Company's strategic shareholder has agreed to take appropriate measures including where necessary, providing financial support to the Group and the Company over the next eighteen (18) months from 1 February 2022 to 31 July 2023 which includes the financial assistance of RM50 million which has been agreed.

2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 February 2022, the Group adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2022.

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to MFRS 1: <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 January 2022
Amendments to MFRS 9: <i>Financial Instruments (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 January 2022
Amendments to MFRS 3: <i>Business Combinations (Reference to the Conceptual Framework Standards 2018 - 2020)</i>	1 January 2022
Amendments to MFRS 116: <i>Property, Plant and Equipment (Property, Plant and Equipment - Proceeds before Intended Use)</i>	1 January 2022
Amendments to MFRS 137: <i>Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts - Cost of Fulfilling a Contract)</i>	1 January 2022
Amendments to MFRS 141: <i>Agriculture (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 January 2022
Amendments to Illustrative Examples accompanying MFRS 16 <i>Leases (Annual Improvements to MFRS Standards 2018 - 2020)</i>	1 January 2022

The adoption of the above Amendments to MFRS and IC Interpretation did not have any significant financial impact to the Group.

EXPLANATORY NOTES (CONT'D.)

2 CHANGES IN ACCOUNTING POLICIES (CONT'D.)

Standards and interpretations issued but not yet effective (cont'd.)

The Group has not adopted the following standards and interpretations that have been issued but not yet effective (cont'd).

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Insurance Contracts</i> (<i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>)	1 January 2023
Amendments to MFRS 101: <i>Presentation of Financial Statements</i> (<i>Classification of Liabilities as Current or Non-Current</i>)	1 January 2023
Amendments to MFRS 101: <i>Presentation of Financial Statements and MFRS Practice Statement 2</i> (<i>Disclosures of Accounting Policies</i>)	1 January 2023
Amendments to MFRS 108: <i>Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)</i>	1 January 2023
Amendments to MFRS 112: <i>Income Taxes</i> (<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>)	1 January 2023
Amendments to MFRS 10: <i>Consolidated Financial Statements (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)</i>	Deferred
Amendments to MFRS 128: <i>Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)</i>	Deferred

The Group are expected to apply the above mentioned pronouncements beginning from the respective dates the pronouncements become effective. The initial application of the abovementioned pronouncements are not expected to have any material impacts to the financial statements of the Group.

3 OTHER INCOME

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		9 Months Ended	
	31.10.2022	31.10.2021	31.10.2022	31.10.2021
	RM'000	RM'000	RM'000	RM'000
Profits distribution received from short term investment	39	162	161	643
Profits distribution received from short term deposit	27	40	93	40
Gain on disposal of property, plant and equipment	(642)	-	(642)	-
Gain on lease modification	-	-	-	37
Reversal of allowances for impairment of trade receivables	-	2	17	2
Miscellaneous income	34,407	225	35,106	754
	<u>34,472</u>	<u>429</u>	<u>35,376</u>	<u>1,476</u>

Included in miscellaneous income are the following:

- (i) the reversal of provision for indemnity to APIIT Sdn. Bhd. ("APIIT") amounting to RM3.0 million (refer Note 14 (i) and Note 21).
- (i) the one-off recognition of a finance lease receivable in accordance with MFRS 16 amounting to RM31.0 million.

4 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 January 2022 was not qualified.

5 SEASONAL OR CYCLICAL FACTORS

The Group's performance is not significantly affected by any seasonal or cyclical fluctuations.

6 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

EXPLANATORY NOTES (CONT'D.)

7 CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in estimates of the amounts reported in the previous financial period that have a material effect on the results of the current reporting period.

8 DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayment of debt and equity securities.

9 SEGMENTAL INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- (i) Investment holding - equity investment, including group-level corporate services and business development functions.
- (ii) Property investment - rental of investment properties.
- (iii) Business Aviation - provision of hangarage services, ground handling, aircraft management, engineering services and other aviation related services.
- (iv) Maintenance, repair and overhaul ("MRO") - provision of MRO services for commercial aircraft and the related services.

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31.10.2022 RM'000	31.10.2021 RM'000	31.10.2022 RM'000	31.10.2021 RM'000
Revenue				
Investment holding	147	802	416	2,409
Property Investment	7,155	6,063	21,330	18,962
Aviation	7,735	5,350	18,923	14,955
MRO	158	21	193	411
Eliminations	(538)	(816)	(659)	(2,467)
	<u>14,657</u>	<u>11,420</u>	<u>40,203</u>	<u>34,270</u>
Profit/(Loss) before tax:				
Investment holding	855	(1,621)	(3,615)	(4,482)
Property Investment	17,045	(121,676)	(7,691)	(117,594)
Aviation	(1,028)	(682)	(2,658)	(2,132)
MRO	1,030	(2,572)	792	(7,924)
Eliminations	(59)	288	47	325
	<u>17,843</u>	<u>(126,263)</u>	<u>(13,124)</u>	<u>(131,807)</u>
Share of result of an associate	1,336	(271)	(822)	(248)
Share of result of joint ventures	(2,714)	(11,299)	(6,328)	(28,260)
Profit/(Loss) before tax:	<u>16,465</u>	<u>(137,833)</u>	<u>(20,274)</u>	<u>(160,315)</u>

No geographical segment is presented as the Group's activities are carried out in Malaysia.

10 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group since the last annual reporting date.

11 CONTINGENT LIABILITIES

There were no material changes in contingent liabilities of the Group since the last annual reporting date.

EXPLANATORY NOTES (CONT'D.)

12 CAPITAL COMMITMENTS

	As at 31.10.2022 RM'000	As at 31.1.2022 RM'000
Approved and contracted for:		
Property, plant and equipment	929	810
Approved but not contracted for:		
Property, plant and equipment	5,182	9,167
Investment in joint ventures	25,326	65,326
	<u>31,437</u>	<u>75,303</u>

13 REVIEW OF GROUP PERFORMANCE

13.1 Three (3) months results - Q3 FY2023 vs Q3 FY2022

The Group revenue for the three (3) months period under review increased from RM11.4 million to RM14.7 million mainly due to the higher revenue derived from Property and Aviation segment.

Loss before tax for the three (3) months period under review decreased from RM137.8 million to a profit before tax of RM16.5 million due to the impairment of the MLA asset in the previous corresponding period amounting to RM118.0 million and the recognition of a finance lease receivable during the quarter under review in accordance with MFRS 16 amounting to RM31.0 million.

13.2 Current quarter vs. immediate preceding quarter (Q3 FY2023 vs Q2 FY2023)

	Current Quarter 31.10.2022 RM'000	Immediate Preceding Quarter 31.07.2022 RM'000
Revenue	14,657	13,806
Operating profit/(loss)	27,245	(1,368)
Profit/(Loss) before tax	<u>16,465</u>	<u>(7,649)</u>

The Group recorded a profit before taxation of RM16.5 million in the current quarter, which was higher by RM24.1 million as compared to the loss before taxation of RM7.6 million in the immediate preceding quarter mainly due to the recognition of a finance lease receivable amounting to RM31.0 million in accordance with MFRS 16.

14 SEGMENTAL ANALYSIS

(i) Investment holding

Q3 FY2023 vs Q3 FY2022

The segment recorded profit before taxation of RM0.9 million in Q3 FY2023 as compared to a loss before taxation of RM1.6 million in Q3 FY2022 mainly due to reversal of provision for indemnity to APIIT Sdn. Bhd. ("APIIT") amounting to RM3.0 million.

(ii) Property Investment

Q3 FY2023 vs Q3 FY2022

Revenue increased from RM6.1 million in Q3 FY2022 to RM7.2 million in Q3 FY2023 mainly due to higher rental income.

The segment recorded a profit before taxation of RM17.0 million in Q3 FY2023 as compared to a loss before tax of RM121.7 million in Q3 FY2022 mainly due to the recognition of a finance lease receivable in the period under review and the impairment of the MLA in the previous corresponding period.

EXPLANATORY NOTES (CONT'D)

14 SEGMENTAL ANALYSIS (CONT'D)

(iii) Aviation

Q3 FY2023 vs Q3 FY2022

Revenue for Q3 FY23 increased by 42% to RM7.7 million from RM5.4 million in Q3 FY2022 mainly due to the higher aircraft management and rental revenue.

The segment recorded loss before taxation of RM1.0 million in Q3 FY2023 as compared to loss before tax RM0.7 million in

Q3 FY2022. The slight increase in loss before taxation is due to higher depreciaton and finance cost under MFRS16.

(iv) MRO

Q3 FY2023 vs Q3 FY2022

The segment recorded profit before taxation of RM1.0 million in Q3 FY2023 as compared to a loss before tax of RM2.6 million in Q3 FY2022 mainly due to the gain on disposal of fixed assets.

15 PROFIT FORECAST

No profit forecast was issued for the financial period.

16 PROSPECTS

The Property and Business Aviation segments will continue to contribute towards the Group's revenue. In the meantime the Group is reviewing all its investment portfolio to optimize its resources to ensure long-term viability and profitability.

17 TAXATION

	9 months ended 31.10.2022	9 months ended 31.10.2021
	RM'000	RM'000
Malaysian taxation	-	670
	-	670

EXPLANATORY NOTES (CONT'D.)

18 INTANGIBLE ASSETS

	As at 31.10.2022 RM'000	As at 31.1.2022 RM'000
Cost		
At beginning/ end of period	2,389	2,389
Accumulated impairment		
At beginning/ end of period	2,389	2,389
Net carrying amount	<u>-</u>	<u>-</u>

The cost of goodwill, which has been allocated to the Group's CGUs identified according to the business segments is as follows:

	As at 31.10.2022 RM'000	As at 31.1.2022 RM'000
Premium automotive	<u>2,389</u>	<u>2,389</u>

The recoverable amounts of CGU for Automotive segment was determined based on fair value less cost to sell (determined by management based on best information available on recoverable amount of the CGU).

19 OTHER CURRENT FINANCIAL ASSETS

	As at 31.10.2022 RM'000	As at 31.1.2022 RM'000
Held for trading investments:		
Quoted equity shares	10	20
Total financial assets at fair value through profit or loss	<u>10</u>	<u>20</u>

20 CORPORATE PROPOSALS

There were no corporate proposals since the last annual reporting date.

21 TRADE AND OTHER PAYABLES

Included in trade and other payables is an advance from holding company amounting to RM40 million for working capital purposes.

22 PROVISIONS

	As at 31.10.2022 RM'000	As at 31.01.2022 RM'000
At the beginning of year	12,275	11,972
Unrealised foreign exchange loss/(gain)	615	303
Reversal	(3,000)	-
At the end of year	<u>9,890</u>	<u>12,275</u>

As part of the disposal of associates in prior year, SRB has provided indemnity to APIIT Sdn. Bhd. ("APIIT") and ILMU Education Group Sdn. Bhd. ("**ILMU**") against any losses and damages incurred as a direct result of any ruling by the Sri Lanka Tax Authority for the appeal filed by APIIT Lanka on the payment of Value Added Tax for an amount up to RM3 million and for period of 6 years until 24th August, 2022. The provision was reversed during the quarter.

During the previous financial year, the Group has made a provision in relation to a claim from a previous customer, among others, claiming for compensation for the loss of market value of an aircraft. Further information as disclosed in Note 24.

EXPLANATORY NOTES (CONT'D.)

23 LOAN AND BORROWINGS

(a) Details of Group's borrowings are as follows:

	As at 31.10.2022 RM'000	As at 31.01.2022 RM'000
Current:		
Secured:		
Hire-purchase	48	50
Revolving credit	-	5,000
Bank overdraft	4,465	7,070
	<u>4,513</u>	<u>12,120</u>
Non-current:		
Secured:		
Hire-purchase	85	121
	<u>85</u>	<u>121</u>
Total borrowings	<u>4,598</u>	<u>12,241</u>

Hire-purchase obligations are secured by the charge over the leased assets.

(b) Currency denominations

All the loan and borrowings are denominated in Ringgit Malaysia.

24 MATERIAL LITIGATION

There is no material litigations that have material effect to the Group except for the following:

Details of the circumstances leading to the filing of Writ of Summons against Aerodome

Aerodome Sdn. Bhd. ("**Aerodome**") a 100%-owned subsidiary of DNest Aviation Sdn. Bhd. ("**DNest**"), which in turn is a wholly-owned subsidiary of Sapura Resources Berhad ("**the Company**").

Aerodome has signed an Aircraft Management and Maintenance Agreement dated 6 July 2012 ("**AMMA**") with Pan Asia Property Management Sdn. Bhd. ("**Pan-Asia**"). Whilst the Aircraft was being defueled at the Aerodome's hangar by Execujet MRO Services Sdn.Bhd. (formerly known as Execujet Malaysia Sdn.Bhd.) ("Execujet") or its agent or contractor, the tail of the Aircraft tipped downwards and struck the raised concrete of the apron at Aerodome's hangar ("**Incident**"). Due to the incident, the Aircraft sustained damage to the aft lower fuselage in its access door area, including to, inter alia, its lower frame and skin at fuselage FS731, aft equipment bay door, LH EQPT bay door frame and RH EQPT bay door frame ("**Aircraft Damage**").

Details of the Writ of Summons

- (i) On 10 October 2019 Aerodome received a Writ of Summons together with a Statement of Claim dated 30 September 2019 filed by (1) Best Perfection Holdings Limited (2) Pan Asia Property Management Sdn. Bhd. (3) Allianz Global Corporate & Specialty ("**Plaintiffs**") through its solicitor Messrs. Joseph & Partners acting on behalf of the Plaintiffs while the Defendants are (1) Aerodome and (2) Execujet.

The Plaintiffs are claiming for the following :-

- (a) Loss of use of the Aircraft due to the Aircraft Damage in the sum of USD203,090.00 (equivalent to MYR850,340.37 at the Central Bank Malaysia rate of exchange of USD1=MYR4.187 as at 30 September 2019;
- (b) Pre-judgment interest, pursuant to Section 11 of the Civil Law Act 1956 at the rate of 5% per annum on the sum of USD203,090.00 from 1.11.2015 until the date of Judgment;
- (c) Post-judgment interest at the rate of 5% per annum on the sum of USD203,090.00 from the date of Judgment until full realization thereof;
- (d) Costs on a solicitor client basis; and
- (e) Any or other Order or further relief as the Court may deem fit and expedient.

EXPLANATORY NOTES (CONT'D.)

24 MATERIAL LITIGATION (CONT'D.)

Details of the Writ of Summons (cont'd)

- (ii) In addition to the above writ of summons, Aerodome had on 9 January 2020 received a Writ of Summons dated 5 January 2020 together with a Statement of Claim dated 3 January 2020 filed by (1) TVPX ARS INC. (2) Best Perfection Holdings Limited and (3) Pan Asia Property Management Sdn. Bhd. ("**Plaintiffs**") through its solicitor Messrs. Song & Partners acting on behalf of the Plaintiffs while the Defendants are (1) Aerodome and (2) Execujet.

The 2nd Plaintiff is claiming for the following :-

- (a) Compensation or damages or indemnity in the sum of USD2,010,000.00 for the loss of market value of the Aircraft due to the Aircraft Damage and resulting damage history;
- (b) Interest at the rate of 5% per annum on the aforesaid sum from 2 November 2015 till the date of judgment;
- (c) Costs;
- (d) Interest at the rate of 5% per annum on the aforesaid sums from the date of judgment till full satisfaction; and
- (e) Such further, ancillary or other relief as the Court may deem fit.

The Plaintiffs are claiming that as a result of the Aircraft Damage and the resulting damage history, the Aircraft had depreciated in its fair market value by approximately USD2,010,000.00 as at or about 28 April 2016 notwithstanding the repair works that had been carried out.

Status of the Court proceedings

On 30 November 2021, both suits were being transferred to another Shah Alam High Court which will be presided by another judge. Therefore, all the trial dates and case management dates that were fixed previously were now vacated. There was still no information on the judge to date and the court has fixed 22 April 2022 for case management. As for **Aerodome's** 3rd Party Proceedings against Execujet, the Court also has fixed 22 April 2022 to hear on **Execujet's** application to strike out **on Aerodome's 3rd party claim**.

On 22 April 2022, Aerodome had been informed by the Court that the hearing is rescheduled to 25 May 2022. On 25 May 2022, the Court had heard oral submissions of parties, and reserved judgment to be delivered on 12 July 2022.

On 12 July 2022, the Judge dismissed Execujet's applications with no order as to costs as the Judge is of the view that the issues raised in the striking out applications ought to be ventilated by way of full trial in January 2024.

Then, the Court fixed the following pre-trial directions:

- (a) Aerodome to file the Third-Party Statement of Claim against Execujet within 14 days from 12th July 2022; (the same has been filed by Aerodome's solicitor on 26th July 2022)
- (b) Parties to file any additional documents and/or expert report on or before 8th June 2023;
- (c) Parties may file rebuttal expert report on or before
- (d) Parties to file issues to be tried on or before 8th September 2023;
- (e) Parties to file and exchange witness statements on or before 8th December 2023; and
- (f) The following trial dates are maintained:
 - 8th to 12th January 2024;
 - 22nd to 24th January 2024; and
 - 29th to 31st January 2024.

In relation to Aerodome's Third-Party Proceedings, Execujet has filed its defence against Aerodome's Third-Party Statement of Claim on 10.8.2022 while Aerodome has filed its reply to the defence ("Reply") on 25 August 2022.

The next case management for the main action has been fixed on 9 June 2023.

25 DIVIDEND

Having considered the current financial position of the Group, the Board of Directors did not recommend any dividend for the quarter under review.

26 EARNINGS PER SHARE

The earnings per share has been calculated based on the profit attributable to Owners of the Parent divided by the number of ordinary shares in issue during the period of RM139,600,000.

EXPLANATORY NOTES (CONT'D.)

27 ADDITIONAL INFORMATION

The following items are included in the statement of comprehensive income:

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31.10.2022 RM'000	31.10.2021 RM'000	31.10.2022 RM'000	31.10.2021 RM'000
Finance cost	107	(8)	373	124
Finance cost on lease liabilities	9,685	2,354	28,981	2,905
Impairment loss on trade receivables	-	335	-	335
Impairment loss on Investment Property	-	118,000	-	118,000
Depreciation of property, plant and equipment	2,040	3,782	5,906	11,084
Depreciation of right-of-use assets	597	4,023	2,310	6,665
Depreciation of investment property	5,890	-	17,668	-
Gain on lease modification	-	-	-	(37)
Unrealised forex exchange loss on provision	35	-	615	-
Net fair value (gain)/loss on held for trading investment	5	11	10	7
Net realised foreign exchange loss/(gain)	23	(19)	102	2
Reversal of allowances for impairment of trade receivables	62	-	79	-

28 APPROVAL OF INTERIM FINANCIAL STATEMENT

The interim financial statements have been approved by the Board of Directors.

Chua Siew Chuan (MAICSA 0777689)
Company Secretary