

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2025  
YEAR ENDING 31 JANUARY 2025



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

Interim Financial Statements for the 1st Quarter Ended 30 April 2024

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SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2025  
YEAR ENDING 31 JANUARY 2025

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))  
Unaudited Condensed Consolidated Statements of Comprehensive Income  
For the 1st Quarter Ended 30 April 2024

	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
		Unaudited	Audited	Unaudited	Audited
		30.4.2024 RM'000	30.4.2023 RM'000	30.4.2024 RM'000	30.4.2023 RM'000
Revenue		17,470	13,705	17,470	13,705
Operating expenses		(22,814)	(22,818)	(22,814)	(22,818)
Other income	2	199	2,316	199	2,316
Operating loss		(5,145)	(6,797)	(5,145)	(6,797)
Finance costs		(10,014)	(9,464)	(10,014)	(9,464)
Loss before tax before share of result		(15,159)	(16,261)	(15,159)	(16,261)
Share of result of an associate		460	(279)	460	(279)
Share of result of joint ventures		(4,855)	(451)	(4,855)	(451)
Loss before tax		(19,554)	(16,991)	(19,554)	(16,991)
Taxation	16	-	-	-	-
Loss after tax, representing total comprehensive loss for the period		(19,554)	(16,991)	(19,554)	(16,991)
Loss, representing total comprehensive loss for the period, attributable to:					
Owners of the parent		(19,554)	(17,081)	(19,554)	(17,081)
Non-controlling interests		-	90	-	90
		(19,554)	(16,991)	(19,554)	(16,991)
Earnings per share attributable to Owners of the parent (sen):					
Basic, loss for the period	23	(14.01)	(12.24)	(14.01)	(12.24)
		(14.01)	(12.24)	(14.01)	(12.24)

These unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2024.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2025  
YEAR ENDING 31 JANUARY 2025

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))  
Unaudited Condensed Consolidated Statement of Financial Position as at 30 April 2024

	Note	Unaudited 30.4.2024 RM'000	Audited 31.1.2024 RM'000
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment		29,290	28,783
Investment properties		497,941	507,266
Right-of-use assets		5,009	4,770
Investments in an associate		23,203	22,742
Investments in joint ventures		198,740	203,595
Finance lease receivables		30,649	31,733
Trade and other receivables		4,587	4,587
		<u>789,418</u>	<u>803,476</u>
<b>CURRENT ASSETS</b>			
Finance lease receivables		5,458	5,402
Trade and other receivables		20,294	19,310
Prepayments		1,744	1,403
Inventories		133	90
Tax recoverable		715	705
Other current financial assets	18	20	20
Fixed deposits		8,915	-
Cash and cash equivalents		20,653	38,545
		<u>57,930</u>	<u>65,475</u>
<b>TOTAL ASSETS</b>		<u><b>847,348</b></u>	<u><b>868,951</b></u>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to Owners of the Parents			
Share capital		139,600	139,600
Other reserves		2,581	2,581
Retained profits		20,954	40,508
Equity attributable to owners of the parent		<u>163,135</u>	<u>182,689</u>
Non-controlling interests		-	-
<b>Total Equity</b>		<u><b>163,135</b></u>	<u><b>182,689</b></u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		41	41
Trade and other payables		40,000	40,000
Lease liabilities		417,589	422,062
		<u>457,629</u>	<u>462,103</u>
<b>Current Liabilities</b>			
Trade and other payables		168,355	167,117
Provisions	20	9,774	9,774
Lease liabilities		48,455	47,268
		<u>226,584</u>	<u>224,159</u>
<b>Total liabilities</b>		<u><b>684,213</b></u>	<u><b>686,262</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>847,348</b></u>	<u><b>868,951</b></u>
<b>NET ASSETS PER SHARE (RM)</b>			
		<u>1.17</u>	<u>1.31</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 2024.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2025  
 YEAR ENDING 31 JANUARY 2025

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))  
 Unaudited Condensed Consolidated Statement of Changes in Equity  
 For the 1st Quarter Ended 30 April 2024

	<-----Attributable to owners of the parent----->					
	<- Non-distributable->			<----- Distributable----->		
	Share Capital	Capital Reserve	General Reserve	Retained Profits	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1.2.2024	139,600	1,481	1,100	40,508	-	182,689
Total comprehensive loss for the period	-	-	-	(19,554)	-	(19,554)
At 30.04.2024	<u>139,600</u>	<u>1,481</u>	<u>1,100</u>	<u>20,954</u>	<u>-</u>	<u>163,135</u>
At 1.2.2023	139,600	1,481	1,100	77,920	(2,082)	218,019
Total comprehensive loss for the period	-	-	-	(17,081)	90	(16,991)
At 30.04.2023	<u>139,600</u>	<u>1,481</u>	<u>1,100</u>	<u>60,839</u>	<u>(1,992)</u>	<u>201,028</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 2024.

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2025  
YEAR ENDING 31 JANUARY 2025

Sapura Resources Berhad (Company No.: 195701000235 (3136-D))  
Unaudited Condensed Consolidated Statement of Cash Flows  
For the 1st Quarter Ended 30 April 2024

	Unaudited for the Period ended 30.4.2024 RM'000	Audited for the Period ended 30.4.2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(19,554)	(16,991)
Adjustment for:		
Non-cash items	14,945	7,370
Loss before working capital changes	(4,609)	(9,621)
Net change in current assets	(1,368)	(4,940)
Net change in current liabilities	1,238	12,569
Net cash used in operating activities	(4,739)	(1,992)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of non current assets	(963)	(623)
Profits distribution received from short term investment	-	6
Profits distribution received from short term deposit	10	-
Net cash used in investing activities	(953)	(617)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net repayment of lease liabilities	(3,287)	(891)
Net cash used in financing activities	(3,287)	(891)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(8,979)</b>	<b>(3,500)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>38,545</b>	<b>32,696</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>29,566</b>	<b>29,196</b>
<b>CASH AND CASH EQUIVALENTS</b>		
CASH IN HAND AND BANKS	20,653	29,196
FIXED DEPOSITS	8,915	-
	29,567	29,196

These unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2024.

EXPLANATORY NOTES

1 BASIS OF PREPARATION

The unaudited quarterly report has been in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting, Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements") and should be read in conjunction with the audited financial statements for the financial year ending 31 January 2024.

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ending 31 January 2024.

The adoption of the following MFRSs and Amendments to MFRSs that came into effect on 1 February 2024 did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.

-Amendments to MFRS 101: Presentation of Financial Statements (Non-current Liabilities with Covenants)

-Amendments to MFRS 16: Leases (Lease Liability in a Sale and Leaseback)

-Amendments to MFRS 107: Statement of Cash Flows and MFRS 7 Disclosure of Financial Instruments - Supplier Finance Arrangements

-Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

-Amendments to MFRS 10 and MFRS 128: Investments in Associates and Joint Venture (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

2 OTHER INCOME

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.4.2024 RM'000	30.4.2023 RM'000	30.4.2024 RM'000	30.4.2023 RM'000
Profits distribution received from short term investment	-	6	-	6
Profits distribution received from short term deposit	10	-	10	-
Reversal of allowances for impairment of trade receivables	-	692	-	692
Finance lease income	-	1,596	-	1,596
Miscellaneous income	189	22	189	22
	<u>199</u>	<u>2,316</u>	<u>199</u>	<u>2,316</u>

3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 January 2024 was not qualified.

4 SEASONAL OR CYCLICAL FACTORS

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

EXPLANATORY NOTES (CONT'D.)

5 UNUSUAL ITEMS

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

6 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.

7 DEBT AND EQUITY SECURITIES

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

8 SEGMENTAL INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has three 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.

	Individual Quarter		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30.4.2024	30.4.2023	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000
Revenue				
Investment holding	-	90	-	90
Property Investment	10,474	6,577	10,474	6,577
Aviation	7,948	7,898	7,948	7,898
Eliminations	(952)	(860)	(952)	(860)
	<u>17,470</u>	<u>13,705</u>	<u>17,470</u>	<u>13,705</u>
Loss before tax:				
Investment holding	(2,286)	(2,290)	(2,286)	(2,290)
Property Investment	(11,993)	(13,322)	(11,993)	(13,322)
Aviation	(880)	(1,078)	(880)	(1,078)
Eliminations	-	429	-	429
	<u>(15,159)</u>	<u>(16,261)</u>	<u>(15,159)</u>	<u>(16,261)</u>
Share of result of an associate	460	(279)	460	(279)
Share of result of joint ventures	(4,855)	(451)	(4,855)	(451)
Loss before tax	<u>(19,554)</u>	<u>(16,991)</u>	<u>(19,554)</u>	<u>(16,991)</u>

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

9 CHANGES IN COMPOSITION OF THE GROUP

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

SAPURA RESOURCES BERHAD - UNAUDITED FINANCIAL RESULTS Q1 FY2025  
YEAR ENDING 31 JANUARY 2025

EXPLANATORY NOTES (CONTD.)

10 CONTINGENT LIABILITIES

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

11 CAPITAL COMMITMENTS

	As at 30.4.2024 RM'000	As at 31.1.2024 RM'000
Approved and contracted for:		
Property, plant and equipment	1,763	2,354
Approved but not contracted for:		
Property, plant and equipment	6,710	5,501
Investment in joint ventures	20,555	14,610
	<u>29,028</u>	<u>22,465</u>

12 REVIEW OF GROUP PERFORMANCE

12.1 Three (3) months results - Q1 FY2025 vs Q1 FY2024

The Group revenue for the three (3) months period under review increased from RM13.7 million to RM17.5 million mainly due to the increase in Permata Sapura occupancy rate from 16% to 91% in the current quarter under review. In addition, there is a reclassification of finance lease income to revenue, in accordance with MFRS 16.

Loss before tax for the three (3) months period under review increased from a loss before tax of RM16.9 million to a loss before tax of RM19.5 million mainly due to higher finance cost due to accrued hibah from advances from JSB and higher share of losses of JV as compared to the previous corresponding quarter.

12.2 Current quarter vs. immediate preceding quarter (Q1 FY2025 vs Q4 FY2024)

	Current Quarter 30.4.2024 RM'000	Immediate Preceding Quarter 31.1.2024 RM'000
Revenue	17,470	23,567
Operating (loss)/profit	(5,145)	38,117
(Loss)/profit before tax	<u>(19,554)</u>	<u>10,180</u>

The Group recorded a loss before taxation of RM19.5 million in the current quarter, as compared to the profit before taxation of RM10.2 million in the immediate preceding quarter mainly due to the reversal of impairment on Permata Sapura amounting to RM46.2 million in the immediate preceding quarter under review. The share of loss for JV company in the current quarter amounting to RM4.8 million is also lower as compared to RM16.3 million in the preceding quarter.

13 SEGMENTAL ANALYSIS

(i) Investment holding

Q1 FY2025 vs Q1 FY2024

The segment recorded an increase of loss before taxation from RM2.3 million in Q1FY24 to a loss before taxation of RM3.0 million in Q1FY25 mainly due to the slight increase in expenses during the quarter under review.

(ii) Property Investment

Q1 FY2025 vs Q1 FY2024

Revenue increased from RM6.6 million in Q1 FY2024 to RM10.5 million in Q1 FY2025 mainly due to the increase in Permata Sapura occupancy rate from 16% to 91% in the current quarter under review. In addition, there is a reclassification of finance lease income to revenue in the current quarter under review, in accordance with MFRS 16.

The segment recorded a decrease in loss before taxation from RM13.3 million in Q1 FY2024 to a loss before tax of RM11.2 million in Q1 FY2025 mainly due to end of rent free period for a few tenants in the current quarter under review.



EXPLANATORY NOTES (CONT'D.)

13 SEGMENTAL ANALYSIS (CONT'D)

(iii) Aviation

Q1 FY2025 vs Q1 FY2024

Revenue for Q1 FY25 increased slightly by only 0.6% to RM7.9 million from RM7.8 million in Q1 FY2024 .

The segment recorded a decrease in loss before taxation to RM0.8 million in Q1 FY2025 versus a loss before taxation of RM1.1 million in Q1 FY2024 mainly due to reversal of provision for contingencies in the current quarter.

14 PROFIT FORECAST

No profit forecast was issued for the financial period.

15 PROSPECTS

**During the Extraordinary General Meeting (“EGM”) on 21st June 2024, all the resolutions tabled were duly approved by the shareholders of SRB. As such, this will give the Company sufficient time to establish a solid tenant base for Permata Sapura. As Permata Sapura’s value is anticipated to appreciate over time, this will in turn, increase the Nett Assets attributable to shareholders.**

**The Property and Business Aviation segments will continue to contribute towards the Group’s revenue. In the meantime, the Group will continuously adapt to the changing market conditions.**

16 TAXATION

	3 months ended 30.4.2024 RM'000	3 months ended 30.4.2023 RM'000
Malaysian taxation	-	-
	<u>-</u>	<u>-</u>

EXPLANATORY NOTES (CONT'D.)

17 INTANGIBLE ASSETS

	As at 30.4.2024	As at 31.1.2024
	RM'000	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 30.4.2024	As at 31.1.2024
	RM'000	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).

18 OTHER CURRENT FINANCIAL ASSETS

	As at 30.4.2024	As at 31.1.2024
	RM'000	RM'000
Held for trading investments:		
Quoted equity shares	<u>20</u>	<u>20</u>
Total financial assets at fair value through profit or loss	<u>20</u>	<u>20</u>

19 CORPORATE PROPOSALS

On 27 November 2023, the Group announced the proposal to undertake the following:

(i) proposed settlement by SRB of the advances owing to Jurudata Sdn Bhd ("JSB") amounting to RM168.0 million via the issuance of 373,333,333 new 9-year zero coupon redeemable convertible secured loan stocks in SRB ("RCCLS") at an issue price of RM0.45 per RCCLS; and

(ii) proposed renounceable rights issue of new ordinary shares in SRB to raise gross proceeds of up to approximately RM33.50 million.

On 23 January 2024, the Group entered into a supplemental agreement with JSB to amend, vary and modify certain terms and conditions in the Settlement Agreement.

On 26 January 2024, the additional listing application in relation to the Proposals has been submitted to Bursa Securities.

On 29 April 2024, Bursa Securities resolved to approve the following:

- (i) Listing and quotation of up to 428,315,271 new Company shares to be issued pursuant to the conversion of the RCCLS; and
- (ii) Listing and quotation of up to 139,600,000 Rights Shares to be issued pursuant to the Proposed Rights Issue.

The approval granted by Bursa Securities is subject to the following conditions:

- (i) The Company and Kenanga Investment Berhad must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposals;
- (ii) The Company must comply with the public security holding spread requirements pursuant to paragraph 8.02(1) of the Listing Requirements upon listing and quotation of the new shares;
- (iii) The Company and Kenanga Investment Berhad are required to inform Bursa Securities upon completion of the Proposals;
- (iv) The Company and Kenanga Investment Berhad are required to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposals are completed;

EXPLANATORY NOTES (CONTD.)

19 CORPORATE PROPOSALS (CONTD.)

The approval granted by Bursa Securities is subject to the following conditions (cont'd):

- (v) Kenanga Investment Berhad is required to furnish Bursa Securities with a certified true copy of the resolutions passed by its shareholders at a general meeting approving the Proposals;
- (vi) The Company is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of RCSLs at the end of each quarter together with a detailed computation of listing fees payable.

On 21 June 2024:

- (i) The proposals were tabled at the Extraordinary General Meetings ("EGM") and were duly approved by the shareholders of SRB;
- (ii) All the conditions precedent of the Settlement Agreement have been fulfilled and accordingly, the Settlement Agreement has become unconditional;
- (iii) SRB had entered into the Issuance Agreement, Put Option Agreement and Share Change with JSB in relation to the Proposed Settlement.

20 PROVISIONS

	As at 30.4.2024	As at 31.1.2024
	RM'000	RM'000
At the beginning of year	9,774	9,406
Reversal of provision	-	(696)
Unrealised foreign exchange loss	-	1,064
At the end of year	<u>9,774</u>	<u>9,774</u>

The Group has also 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 21.

21 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 F5731, 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.)

21 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 8th September 2023. In the event there is any need for a further rebuttal report, the filing date would be determined in a case management (to be fixed tentatively around end of October 2023);
- (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.

Upon filing of the Reply, pleadings in the third party action are closed. In the usual course of proceedings, a third party **action will be heard and be disposed after the Aerodome's liability in the main action has been determined.**

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

EXPLANATORY NOTES (CONTD.)

21 MATERIAL LITIGATION (CONTD.)

On 9 June 2023, the Court has postponed the case management to 15 June 2023 due to an emergency. During the case management on 15 June 2023, the parties are supposed to update the status of fillings of expert's report in both suits, and Aerodome informed the Court that Aerodome is relying on Execujet's expert report to this end. Execujet's counsel informed the Court that they required extension of time to file their expert report and their expert was travelling. The Court granted the said extension of time to file until 10 July 2023. Thereafter, the Court has fixed the next case management date on 16 August 2023 for parties to update the Court on the filling of the expert report. During the case management on 16 August 2023, the parties have updated the Court in relation to preparation of the case, including the fact that parties have begun mediation efforts. The Court set the next case management date on 12 October 2023 for parties to update the Court. During the case management on 12 October 2023, the parties agreed to have a court-assisted mediation on 21 November 2023. On 21 November 2023, the Court then fixed the next Case Management for mediation sessions to be held on 5 December 2023 and 13 December 2023. In the meantime, Execujet has obtained a Judgement in Default ("JID") against Hasrat Asia Sdn. Bhd. ("the 3rd party"), and there are applications made to extend time for filing memorandum of appearance and setting aside JID by the 3rd party. The Court is set to hear the applications on 4th December 2023.

On 4 December 2023, the Court gave directions to Hasrat Asia to file further evidence in support of their application. In the meantime, the judge has directed parties not to file witness statements by 8th December 2023 as directed previously, and he has indicated that he may vacate the trial dates fixed on January 2024 pending the outcome of these applications. The Court has fixed 18 December 2023 as the next case management date to give further directions to parties.

Mediation

The mediation session initially fixed on 5 December 2023 was vacated due to unforeseen circumstances by the mediating Judge, and the mediation was fixed on 13 December 2023 instead, and outcome of the mediation to be updated on 14 December 2023.

On 13 December 2023, the parties have agreed to a settlement in relation to the Loss of Use Suit, and is currently pending finalisation of a consent order. Status of mediation in relation to the Loss of Value Suit to be updated in next case management on 14 December 2023.

Loss of Value Suit

During the case management on 14 December 2023, parties requested for an additional period of one month for settlement discussions, and the judge showed no objection to this extension. Additionally, the Judge approved parties' application to vacate the scheduled trial in January 2024 due to the 3rd party's application and the 4th party's (Ronald Christopher La Faber's) involvement.

During the Case Management on 12 March 2024, the Court has fixed the Hearing for the 3rd and the 4th parties' applications to set aside the JID, extension to file memorandums of appearance and defences on 3 May 2024. This application has nothing to do with AeroDome as the matters are in relation to the application by Execujet against Hasrat Asia and Hasrat Asia's claim for indemnity against its Director.

**Aerodome received a letter dated 5 June 2024 from the Plaintiff's solicitor stated their final counter offer of USD1.1million.**

On, 11 June 2024, Aerodome received a letter dated 6 June 2024 from Execujet proposing new settlement proportion based on the final counter offer of USD1.1million as follows:-

**28% Aerodome – USD306,500**

**72% Execujet – USD793,500**

In addition to the above, the Court fixed the next trial dates for the Loss of Value Suit, as follows:

1. **24 – 25 July 2024; and**
2. **29 -31 July 2024.**

Loss of Use Suit

Parties have informed Judge that a settlement in principles has been reached, and waiting for draft consent order / agreement to be drafted and agreed upon. The Court has fixed the next case management dated 18 January 2024 for parties to update Court on status of settlement.

On 18 January 2024, the 3rd Party (Hasrat Asia) has filed an application to compel the Civil Aviation Authority of Malaysia (CAAM) to produce certifications in relation to 3rd Party's capabilities.

On 12 March 2024, the Parties have informed Court that further time is required to finalize and execute the Settlement Agreement and Consent Judgment, respectively. The Court has fixed the next Case Management on 27.3.2024 for parties to update the Court on the settlement status.

EXPLANATORY NOTES (CONT'D.)

21 MATERIAL LITIGATION (CONT'D.)

On 27 March 2024, the Parties have recorded the terms of the consent judgment for the Loss of Use Suit to the Court and have agreed to the terms of the Settlement Agreement. Consent Judgment was obtained on 27 March 2024 and the Settlement Agreement has been executed and dated 7 June 2024.

Aerodome is to proceed with the payment of the settlement sum of USD56,000 within 21 days from the date of the Agreement.

22 DIVIDEND

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

23 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 139,600,000.

24 ADDITIONAL INFORMATION

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

	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30.4.2024 RM'000	30.4.2023 RM'000	30.4.2024 RM'000	30.4.2023 RM'000
Finance cost on lease liabilities	10,014	9,464	10,014	9,464
Depreciation of property, plant and equipment	1,535	1,834	1,535	1,834
Depreciation of right-of-use assets	233	234	233	234
Depreciation of investment property	8,066	5,890	8,066	5,890
Unrealised forex exchange loss/(gain) on provision	-	460	-	460

25 APPROVAL OF INTERIM FINANCIAL STATEMENT

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

Chua Siew Chuan (MAICSA 0777689)  
 Company Secretary