



STAR MEDIA GROUP BERHAD
Company No. 197101000523 (10894-D)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER
ENDED 30 JUNE 2024**

Unaudited Condensed Consolidated Statement of Profit or Loss

	Note	3 months ended		Financial period ended	
		30/06/2024	30/06/2023	30/06/2024	30/06/2023
		RM'000	RM'000	RM'000	RM'000
Revenue	A7	74,127	58,022	127,431	110,010
Operating expenses	A8	(70,278)	(60,950)	(127,948)	(116,259)
Other operating income	A9	3,879	4,352	8,266	9,029
Profit from operations		7,728	1,424	7,749	2,780
Finance cost		(178)	(199)	(365)	(406)
Profit before tax		7,550	1,225	7,384	2,374
Taxation	B5	(63)	(434)	(90)	(445)
Profit for the financial period		7,487	791	7,294	1,929
Attributable to:					
Owners of the parent		7,487	791	7,294	1,929
Non-controlling interests		-	-	-	-
		7,487	791	7,294	1,929
Basic/Diluted earnings per ordinary share (sen):		1.03	0.11	1.01	0.27

(The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

Included in the Operating Expenses are depreciation and amortisation expenses:

(3,820)	(3,885)	(7,665)	(7,802)
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**Unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income
For the period ended 30 June 2024**

	3 months ended		Financial period ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	7,487	791	7,294	1,929
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
- exchange differences on translating foreign operations	-	23	7	24
Total comprehensive income for the financial period	7,487	814	7,301	1,953
Attributable to:				
Owners of the parent	7,487	814	7,301	1,953
Non-controlling interests	-	-	-	-
	7,487	814	7,301	1,953

(The unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

**Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2024**

	30/06/2024	31/12/2023
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	105,224	108,632
Investment properties	177,961	179,736
Intangible assets	22,431	22,655
Right-of-use assets	9,833	11,026
Other investments		
-Financial assets at fair value through profit or loss	239	224
Deferred tax assets	581	581
	316,269	322,854
Current assets		
Inventories	39,469	35,968
Trade and other receivables	40,168	44,734
Contract assets	26,390	3,352
Current tax assets	3,516	2,443
Cash and bank balances	353,670	364,152
	463,213	450,649
TOTAL ASSETS	779,482	773,503

**Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2024 (cont'd)**

	30/06/2024	31/12/2023
	RM'000	RM'000
EQUITY AND LIABILITIES		
Share capital	738,564	738,564
Treasury shares	(6,124)	(6,124)
Foreign exchange translation reserve	2,665	2,658
Reserves	(82,652)	(82,698)
Total equity	652,453	652,400
Non-current liabilities		
Lease liabilities	8,681	9883
Deferred tax liabilities	203	203
	8,884	10,086
Current liabilities		
Trade and other payables	115,162	108,190
Lease liabilities	2,812	2,793
Taxation	171	34
	118,145	111,017
Total Liabilities	127,029	121,103
TOTAL EQUITY AND LIABILITIES	779,482	773,503
Net assets per share attributable to owners of the parent (RM)	0.90	0.90

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

Unaudited Condensed Consolidated Statements of Changes in Equity
For the period ended 30 June 2024

[----- Attributable to equity holders of the Company -----]

	Share Capital RM'000	Foreign exchange translation reserves RM'000	Treasury Shares RM'000	Retained earnings/ (Accumulated losses) RM'000	Total Equity RM'000
Balance as at 1 January 2024	738,564	2,658	(6,124)	(82,698)	652,400
Total comprehensive income for the period	-	7	-	7,294	7,301
Dividend paid	-	-	-	(7,248)	(7,248)
Balance as at 30 June 2024	738,564	2,665	(6,124)	(82,652)	652,453

Unaudited Condensed Consolidated Statements of Changes in Equity
For the period ended 30 June 2024 (cont'd)

[----- Attributable to equity holders of the Company -----]

	Share Capital RM'000	Foreign exchange translation reserves RM'000	Treasury Shares RM'000	Retained earnings/ (Accumulated losses) RM'000	Total Equity RM'000
Balance as at 1 January 2023	738,564	2,651	(6,124)	(82,940)	652,151
Total comprehensive income for the period	-	24	-	1,929	1,953
Dividend paid	-	-	-	(7,248)	(7,248)
Balance as at 30 June 2023	738,564	2,675	(6,124)	(88,259)	646,856

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023)

Unaudited Condensed Consolidated Statement of Cash Flows
For the period ended 30 June 2024

	30/06/2024	30/06/2023
	RM'000	RM'000
Profit before tax	7,384	2,374
Adjustments for non-cash flow items: -		
Non-cash items	7,517	8,953
Non-operating items	(5,951)	(6,239)
Operating profit before working capital changes	8,950	5,088
Changes in working capital: -		
Net change in current assets	(21,835)	(10,003)
Net change in current liabilities	6,973	2,414
Cash used in operations	(5,912)	(2,501)
Net tax (paid)/refunded	(1,026)	8,883
Net cash (used in)/generated from operating activities	(6,938)	6,382
Investing Activities		
Proceeds from disposal of property, plant and equipment	65	27
Purchases of property, plant and equipment	(1,087)	(2,682)
Purchases of intangible assets	(24)	(42)
Interest and investment income received	6,317	6,645
Net cash generated from investing activities	5,271	3,948
Financing Activities		
Interest paid	(365)	(406)
Repayment of lease liabilities	(1,210)	(1,151)
Dividend paid	(7,248)	(7,248)
Net cash used in financing activities	(8,823)	(8,805)
Net (decrease)/increase in cash and cash equivalents	(10,490)	1,525
Effect of exchange rates fluctuations on cash held	8	25
Cash and cash equivalents at beginning of the period	364,152	364,825
Cash and cash equivalents at end of the period	353,670	366,375

Unaudited Condensed Consolidated Statement of Cash Flows
For the period ended 30 June 2024

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at the end of the financial period: -

	30/6/2024	30/6/2023
	RM'000	RM'000
Deposits placed with licensed banks	330,020	347,112
Cash and bank balances	23,650	19,263
	353,670	366,375

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023).

Notes to the interim financial report

A1. Basis of preparation

The interim condensed financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (“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.

The interim condensed financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023.

The accounting policies and methods of computation adopted by the Group in these interim condensed financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2023 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs during the current financial period: -

Amendments to MFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to MFRS 101	<i>Non-Current Liabilities with Covenants</i>
Amendments to MFRS 101	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to MFRS 107 and MFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

The following MFRSs and Amendments to MFRSs have been issued by MASB but are not yet effective to the Group: -

Effective for annual periods on or after 1 January 2025

Amendments to MFRS 9 and MFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
Amendments to MFRS 18	<i>Presentation and Disclosure in Financial Statements</i>
Amendments to MFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to MFRS 121	<i>Lack of Exchangeability</i>

The Group is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

A2. Seasonal or cyclical factors

The operations of the Group’s key business segments are generally affected by major festive seasons.

A3. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 June 2024.

A4. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the current quarter.

Notes to the interim financial report

A5. Debt and equity securities

There were no issuances and repayment of debts and equity securities, share cancellations and resale of treasury shares during the financial period ended 30 June 2024.

A6. Dividend paid

RM'000

In respect of the financial year ended 31 December 2023

First and final dividend of 1.0 sen ordinary share, paid on 12 June 2024

7,248

Notes to the interim financial report

A7. Segment Reporting

	Print, digital and events RM'000	Radio broadcasting RM'000	Property development and investment RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<u>3 months ended 30 June 2024</u>						
Sales to external customers	42,231	6,255	25,641	-	-	74,127
Inter-segment sales	896	37	-	7,089	(8,022)	-
Total revenue	43,127	6,292	25,641	7,089	(8,022)	74,127
(Loss)/Profit before tax	(3,685)	186	10,641	408	-	7,550
<u>3 months ended 30 June 2023 (Reclassified)</u>						
Sales to external customers	47,771	7,311	2,940	-	-	58,022
Inter-segment sales	671	-	-	6,804	(7,475)	-
Total revenue	48,442	7,311	2,940	6,804	(7,475)	58,022
(Loss)/Profit before tax	(294)	770	399	350	-	1,225

Notes to the interim financial report

A7. Segment Reporting (cont'd)

	Print, digital and events RM'000	Radio broadcasting RM'000	Property development and investment RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<u>Financial period ended 30 June 2024</u>						
Sales to external customers	83,333	13,529	30,569	-	-	127,431
Inter-segment sales	2,549	52	-	13,892	(16,493)	-
Total revenue	85,882	13,581	30,569	13,892	(16,493)	127,431
(Loss)/Profit before tax	(6,634)	1,328	11,957	733	-	7,384
Total Assets	478,317	57,244	240,846	3,075	-	779,482
<u>Financial period ended 30 June 2023 (Reclassified)</u>						
Sales to external customers	90,878	14,903	4,229	-	-	110,010
Inter-segment sales	947	-	-	13,441	(14,388)	-
Total revenue	91,825	14,903	4,229	13,441	(14,388)	110,010
(Loss)/Profit before tax	(148)	1,950	(130)	702	-	2,374
Total Assets	494,524	66,679	201,350	5,978	-	768,531

Notes to the interim financial report**A8. Operating expenses**

	3 months ended		Financial period ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
(Reversal of)/Allowance of credit losses	(73)	944	(137)	1,457
Foreign exchange loss	18	-	8	3

A9. Other operating income

	3 months ended		Financial period ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
Interest income	99	95	200	227
Investment income	3,008	3,226	6,117	6,418
Reversal of allowance of credit losses	-	111	-	252
Foreign exchange gain	-	43	473	59
Gain on disposal of property, plant and equipment	-	27	-	27
Others	772	850	1,476	2,046
	3,879	4,352	8,266	9,029

A10. Events subsequent to the end of the reporting period

There are no material events subsequent to the end of the reporting period under review that have not been reflected in the interim condensed financial statements.

A11. Changes in composition of the Group

There are no changes in the composition of the Group during the period under review.

A12. Capital commitments

	RM'000
Authorised capital expenditure not provided for in the financial statements	
- contracted	1,856
- not contracted	4,774
	6,630

Additional information required by Bursa Malaysia Securities Listing Requirements

B1. Review of performance

	Current year quarter ended 30/06/2024 (Q2 2024) RM'000	Preceding year corresponding quarter ended 30/06/2023 (Q2 2023) RM'000
Revenue	74,127	58,022
Consolidated profit before tax	7,550	1,225
Consolidated profit after tax	7,487	791

The Group's total revenue of RM74.1 million in Q2 2024, an increase of 28% compared to Q2 2023. The Group registered a profit before tax of RM7.6 million in Q2 2024, improved by 516% compared to Q2 2023, attributed to better performance of property development and investment segment.

Performance of the respective business segments for Q2 2024 compared to the corresponding quarter of 2023 are as follows: -

Print, Digital and Events – Revenue declined by 11% to RM43.1 million in Q2 2024 compared to RM48.4 million in Q2 2023 while the Group recorded a loss before tax of RM3.7 million in Q2 2024 compared to a loss before tax of RM0.3 million in Q2 2023. The decrease was predominately due to the continuous challenges faced by the print and advertising business segments due to marketing spend rationalisation by clients that is in line with the current challenging business landscape.

Radio Broadcasting – Revenue declined by 14% to RM6.3 million in Q2 2024 compared to RM7.3 million in Q2 2023 while the Group recorded a profit before tax of RM0.2 million in Q2 2024 compared to profit before tax of RM0.8 million in Q2 2023. The decrease was attributed to lower revenue generated from commercial airtime as a result of the increase in market competitiveness.

Property Development & Investment – The Group recorded a revenue of RM25.6 million and profit before tax of RM10.6 million in Q2 2024, improved compared to RM2.9 million of revenue and RM0.4 million of profit before tax in Q2 2023, attributed mainly to higher progress billings from the Star Business Hub project.

	6 months ended 30/06/2024 (H1 2024) RM'000	6 months ended 30/06/2023 (H1 2023) RM'000
Revenue	127,431	110,010
Consolidated profit before tax	7,384	2,374
Consolidated profit after tax	7,294	1,929

Performance for the Group for 6 months ended 30 June 2024 compared to 30 June 2023 are as follows: -

The Group recorded an improved performance across all three indicators above during H1 2024 compared to H1 2023, predominately driven by the property development & investment segment with higher progress billings from the Star Business Hub project.

Additional information required by Bursa Malaysia Securities Listing Requirements

Performance of the respective business segments are as follows: -

Print, Digital and Events – Revenue declined by 6% to RM85.9 million in H1 2024 compared to RM91.8 million in H1 2023, while the segment recorded a loss before tax of RM6.6 million in H1 2024 compared to loss before tax of RM0.1 million in H1 2023. The decrease was predominately due to the reduction in marketing spendings by clients, in line with the current challenging business landscape.

Radio Broadcasting – Revenue declined by 9% to RM13.6 million in H1 2024 compared to RM14.9 million in H1 2023 while the segment recorded a profit before tax of RM1.3 million in H1 2024 compared to profit before tax of RM2.0 million in H1 2023. The decrease was attributed to lower revenue generated from commercial airtime as a result of increase in market competitiveness.

Property Development & Investment – The Group recorded a revenue of RM30.6 million and profit before tax of RM12.0 million in H1 2024, improved compared to RM4.2 million of revenue and loss before tax of RM0.1 million in H1 2023, due to higher progress billings from the Star Business Hub project.

B2. Variation of results against preceding quarter

	Current quarter ended 30/06/2024 (Q2 2024) RM'000	Preceding quarter ended 31/03/2024 (Q1 2024) RM'000
Revenue	74,127	53,304
Consolidated profit/(loss) before tax	7,550	(166)
Consolidated profit/(loss) after tax	7,487	(193)

The Group recorded an improved performance across all three indicators above during Q2 2024 compared to Q1 2024. This is mainly contributed by the revenue generated from the property development & investment segment. The business performance from the other three segments during Q2 2024 were on par with Q1 2024.

B3. Prospects

While Malaysia's economic outlook has been gaining confidence, the recent increase in geopolitical tensions and conflicts will inevitably impact global demand, cause macroeconomic uncertainties and delay economic recovery. Given the circumstances, management expects the advertising industry to remain challenging in the second half of 2024. We will continue to monitor business conditions, ensure operational efficiency and prudent cost management.

Notwithstanding the above, the Property Development and Investment business segment is expected to contribute positively to the Group's revenue and profitability in the second half of 2024. The management will continue to explore potential merger and acquisition opportunities to diversify the Group's income streams.

B4. Profit forecast

The Group has not provided any profit forecast in a public document.

Additional information required by Bursa Malaysia Securities Listing Requirements**B5. Taxation**

Taxation comprises the following: -

	3 months ended		Financial period ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
	RM'000	RM'000	RM'000	RM'000
Current period tax expense based on profit for the current financial period				
1. Malaysian taxation	63	434	90	445
2. Foreign taxation	-	-	-	-
3. Deferred taxation	-	-	-	-
	63	434	90	445

The Group's tax expense for the current financial period was mainly arising from the income tax expense incurred by the profitable subsidiaries within the Group.

B6. Status of corporate proposal announced

- a) On 12 May 2017, the Company announced that Laviani Pte Ltd, a wholly-owned subsidiary company, entered into a conditional share purchase agreement with Lucrum 1 Investment for the proposed disposal of its entire equity interest in Cityneon Holdings Limited for a disposal consideration of SGD115,612,731 (equivalent to RM360,179,902), to be satisfied entirely via cash.

Subsequently, the Company obtained approval from its shareholders at the Extraordinary General Meeting held on 7 July 2017 for the abovementioned disposal.

On 12 July 2017, the Company announced the completion on the disposal of Cityneon Holdings Limited by Laviani Pte Ltd. Accordingly, Cityneon Holdings Limited and its subsidiaries ceased to be the indirect subsidiary companies of the Company.

On 1 August 2019, the Company announced that it had only utilised RM207.7 million out of the total disposal proceeds and proposed a variation to the utilisation of proceeds. Subsequently, the Company utilised a further sum of RM86.0 million, resulting in a total utilisation amount of RM293.7 million.

On 27 May 2024, the Company obtained shareholders' approval at the annual general meeting for the proposed variation of the remaining proceeds of RM66.5 million.

The details of utilisation of proceeds are as follows: -

Purposes	Revised amount	Actual utilisation	Remaining balance	Estimated timeframe for utilisation
	(as at 30/06/2024)			
	RM'000	RM'000	RM'000	
General working capital	66,500	-	66,500	By 30 June 2025
Total	66,500	-	66,500	

Additional information required by Bursa Malaysia Securities Listing Requirements**B7. Lease liabilities**

The Group's lease liabilities as at the end of the financial period are as follows: -

	As at 30/06/2024 RM'000	As at 30/06/2023 RM'000
Short Term Lease Liabilities		
Unsecured		
- Lease liabilities	2,812	2,721
Long Term Lease Liabilities		
Unsecured		
- Lease liabilities	8,681	10,488

All lease liabilities in 2024 and 2023 are denominated in Ringgit Malaysia.

B8. Changes in material litigation

The Company had on 19 August 2011 entered into a Sale and Purchase Agreement with JAKS Island Circle Sdn Bhd ("JIC") for the proposed disposal of the Company's land held under H.S. (D) 259880, No. Lot PT 16, Seksyen 13, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor together with the buildings erected thereon to JIC for a consideration of RM135,000,000 only ("JAKS SPA").

Under the JAKS SPA, JIC shall pay the purchase consideration partly through the completion, delivery and transfer of the legal title with vacant possession and certificate of completion and compliance, free from all encumbrances whatsoever of a fifteen (15) storey office block to be constructed on PT 16 ("Tower A") to the Company as the Company's entitlement.

Pursuant to the JAKS SPA, JIC shall also provide a bank guarantee for the sum of RM50,000,000 only in favour of the Company to guarantee, among others, the completion and delivery of the vacant possession of the Tower A in accordance with the terms of the JAKS SPA. In addition, JIC's holding company, JAKS Resources Berhad ("JRB") shall also provide a corporate guarantee in favour of the Company to guarantee the performance of the obligations of JIC under the JAKS SPA ("JRB Corporate Guarantee").

As JIC had failed to deliver the vacant possession of Tower A by the stipulated timeline, the Company had, on 15 February 2018, made a demand on the bank guarantees amounting to RM50,000,000 ("JIC Bank Guarantees") in accordance with the terms of the JAKS SPA. In an attempt to injunct or prevent the Company from calling on the JIC Bank Guarantees, JIC had, on 23 February 2018, initiated suits WA-24C(ARB)-11-02/2018 and WA-24C(ARB)-12-02/2018 (collectively, "OS 11 & 12") in the High Court.

The High Court in OS 11 & 12 had ruled in favour of the Company for the release of the JIC Bank Guarantees by the financial institutions in the sum of RM50,000,000 to the Company and ultimately rejected JIC's contention that the Company's calls on the JIC Bank Guarantees were unconscionable and premature. This decision was further upheld by the Court of Appeal, and JIC's motions for leave to appeal to the Federal Court against the decision of the Court of Appeal were dismissed on 7 January 2019.

Additional information required by Bursa Malaysia Securities Listing Requirements

B8. Changes in material litigation (cont'd)

Subsequently, the Company had on 19 April 2019 filed a Writ of Summons and a Statement of Claim against JRB vide the Civil Suit No. WA-22NCvC-258-04/2019 ("Suit 258") for JRB's alleged breach and failure to perform its obligations under the JRB Corporate Guarantee. The Company has claimed for, among others, specific performance to order JRB to complete or cause to be completed JIC's obligations under the JAKS SPA by 31 October 2019 in full and proper compliance with the terms of the JAKS SPA and damages being the late payment interest calculated at eight (8%) per annum on the balance purchase price under the JAKS SPA of RM134,500,000 from 25 October 2015 until the date of full payment of the RM134,500,000.

Thereafter, JRB and JIC (collectively, "JAKS") had filed a counterclaim and served a Writ of Summons and a Statement of Claim both dated 30 May 2019 against the Company for an alleged premature call on the JIC Bank Guarantees. JAKS in this Suit No. WA-22NCvC-374-05/2019 ("Suit 374") has claimed for among others, the sum of RM50,000,000 pursuant to the JIC Bank Guarantees to be refunded or returned and the sum of RM248,242,988 as liquidated and ascertained damages and RM297,035,481 for loss of proceeds from JRB's corporate fundraising exercises.

The Company had on 1 August 2019 filed an application for a preliminary determination under Order 14A of the Rules of Court and to strike out JAKS' counter claim in Suit 258 and Suit 374 respectively on the grounds of res judicata and multiplicity of proceedings. The Company contended that JAKS' position in both Suit 258 and Suit 374 on the alleged variations of the building plans which required the resubmission of the plans for the approval of Majlis Bandaraya Petaling Jaya and the alleged new completion date under the JAKS SPA being 20 June 2020 were exactly the same arguments raised by JIC ("Alleged Variations and Alleged New Completion Date") in the previous suits OS 11 & 12, which had been fully litigated in the High Court.

In respect of Suit 258, the High Court had on 7 August 2020 allowed the Company's application for preliminary determination under Order 14A partially and, among others, ordered JRB to compensate the Company at the rate of eight (8%) per annum on the balance purchase price of RM134,500,000 from 25 October 2015 to 6 July 2020 which will continue to run from 6 July 2020 to the date JRB completes or cause to be completed JIC's obligations under the JAKS SPA. However, the High Court dismissed the Company's question in the same application to compel JRB to provide full set of the construction drawings, details and specifications requested by the Company in order to carry out a proper and meaningful joint inspection ("the Dismissal"). Therefore, JRB had on 21 August 2020 appealed against the decision delivered in favour of the Company and the Company had on 1 September 2020 also appealed against the Dismissal.

In respect of Suit 374, the High Court had on 28 September 2020 dismissed the Company's application for preliminary determination. Subsequently, the Company had on 2 October 2020 filed an appeal against the decision of the High Court in respect of Suit 374.

Hence, there were three (3) appeals in total filed in the Court of Appeal as follows: -

- a) Appeal No. W-02(IM)(NCVC)-1122-08/2020 filed by JRB against the orders in favour of the Company's preliminary determination in Suit 258;
- b) Appeal No. W-02(IM)(NCVC)-1188-09/2020 filed by the Company against the Dismissal in Suit 258; and
- c) Appeal No. W-02(IM)(NCVC)-1435-09/2020 filed by the Company against the dismissal of the Company's application for preliminary determination in Suit 374.

Additional information required by Bursa Malaysia Securities Listing Requirements

B8. Changes in material litigation (cont'd)

On appeal, the Court of Appeal heard the three (3) appeals together and decided against the Company on 27 July 2021. As a result, the Company had on 25 August 2021 filed three (3) motions for leave to appeal to the Federal Court against the decision of the Court of Appeal. As JIC has been put into creditors' voluntary winding-up, any legal proceedings against a company in liquidation shall be subject to leave from the High Court being obtained. The Company filed an Originating Summons for leave which was granted by the High Court on 6 October 2022 to continue the appeal proceedings against JIC. The leave application to the Federal Court in respect of the three (3) motions was heard on 23 February 2023 whereupon the Federal Court has unanimously granted the Company the leave to appeal against the Court of Appeal's decision, to the Federal Court.

Accordingly, the Company had on 6 March 2023 filed and served the notices of appeal to the Federal Court and JAKS ("Federal Court Appeals"). The Federal Court had sealed and registered the notices of the Federal Court Appeals and fixed 8 May 2023 for case management. During the case management on 8 May 2023, the Federal Court set the next case management on 3 July 2023 for the Company to update on the status of the filing of the grounds of judgement from the Court of Appeal as a Supplementary Records of Appeal.

On 15 August 2023, the Federal Court had directed the filing of a supplemental record of appeal to include the Court of Appeal's grounds of the three (3) appeals by 29 August 2023. The hearing of the Federal Court Appeals which was initially fixed on 6 December 2023 was subsequently adjourned to 7 March 2024. The Federal Court had on 7 March 2024, dismissed the Federal Court Appeals with costs of RM150,000. Suits 258 and 374, which will be heard together will now proceed to the High Court for trial which the High Court had tentatively fixed for 25 August to 28 August 2025.

B9. Dividend

No interim dividend has been recommended for the current quarter under review.

Additional information required by Bursa Malaysia Securities Listing Requirements**B10. Basic earnings per share**

The basic earnings per share was calculated based on the Group's profit after tax attributable to owners of the parent divided by the weighted average number of ordinary shares outstanding during the financial period.

	3 months ended		Financial period ended	
	30/06/2024	30/06/2023	30/06/2024	30/06/2023
Group's profit after tax attributable to owners of the parent (RM'000)	7,487	791	7,294	1,929
Weighted average number of ordinary shares outstanding ('000)	724,765	724,765	724,765	724,765
Basic earnings per share (sen)	1.03	0.11	1.01	0.27

Diluted earnings per share

The Group did not issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

By Order of the Board

Hoh Yik Siew
Group Company Secretary
20 August 2024
Petaling Jaya, Selangor Darul Ehsan