

ANNOUNCEMENT

The Board of Directors of Ahmad Zaki Resources Berhad (“AZRB” or “the Company”) would like to announce the following unaudited consolidated results for the 4th quarter and period ended 30 June 2024 of AZRB and its subsidiaries (“the Group”). This announcement should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached to the quarterly condensed financial report.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE 12-MONTH PERIOD ENDED 30 JUNE 2024**

RM’000	Note	Current quarter ended 3-month 30.06.2024	Comparative quarter ended 3-month 30.06.2023	Cumulative quarter ended 12-month 30.06.2024	Cumulative quarter ended 12-month 30.06.2023
Revenue		96,806	124,177	367,159	380,444
Operating expenses	1	(75,333)	(124,950)	(432,675)	(424,838)
Other operating income		8,234	6,161	199,467	9,874
Profit/(Loss) from operating activities		29,707	5,388	133,951	(34,520)
Finance income		12,380	12,324	51,244	53,763
Finance expenses		(29,615)	(31,875)	(87,306)	(89,969)
Share of loss of associates		-	(160)	-	(162)
Profit/(Loss) before tax		12,472	(14,324)	97,889	(70,888)
Income tax expense		(6,291)	(22,048)	(13,062)	(32,999)
Profit/(Loss) for the period	2	6,181	(36,372)	84,827	(103,887)
Other comprehensive (loss)/income, net of tax					
Actuarial gain from employee benefits		-	-	-	-
Foreign currency translation differences for foreign operations		444	(20,514)	324	(19,028)
Other reserve and non-controlling interest movement upon disposal of subsidiary		-	-	29,186	-
Total comprehensive profit/(loss) for the period		6,625	(56,886)	114,337	(122,915)
Profit/(Loss) attributable to:					
Owners of the Company		3,941	(25,484)	88,915	(89,231)
Non-controlling interests		2,240	(10,888)	(4,088)	(14,656)
Profit/(Loss) for the period		6,181	(36,372)	84,827	(103,887)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME FOR THE 12-MONTH PERIOD ENDED 30 JUNE 2024**

RM'000	Current quarter ended <u>3-month</u> 30.06.2024	Comparative quarter ended <u>3-month</u> 30.06.2023	Cumulative quarter ended <u>12-month</u> 30.06.2024	Cumulative quarter ended <u>12-month</u> 30.06.2023
Total comprehensive Profit/(Loss) attributable to:				
Owners of the Company	4,387	(44,930)	97,686	(107,212)
Non-controlling interests	2,238	(11,956)	16,651	(15,703)
Total comprehensive Profit/(Loss) for the period	6,625	(56,886)	114,337	(122,915)
Earnings/(Loss) per ordinary share (sen)	0.60	(4.26)	13.86	(14.92)
Note 1:				
Operating expenses represents the following:				
Cost of sales	66,140	64,791	323,518	305,471
(Gain)/Loss on foreign exchange - unrealised	4	(5,930)	(11,528)	-
Other operating expenses	9,189	66,089	120,685	119,367
Total	75,333	124,950	432,675	424,838
Note 2:				
Profit/(Loss) for the period is arrived at after (crediting)/charging the following items:				
Interest income	(534)	-	(2,837)	(2,763)
Accretion of fair value of non-current receivables	(11,846)	(12,515)	(48,407)	(51,000)
Interest expenses	29,235	36,043	85,953	89,969
Depreciation and amortisation of non-current assets	1,466	(3,420)	11,796	21,203
Gain on disposal of subsidiary	-	-	(189,188)	-

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
 30 JUNE 2024**

RM'000	Unaudited as at 30.06.2024	Audited as at 30.06.2023
ASSETS		
Non-current assets		
Property, plant and equipment	271,710	663,926
Land held for development	23,606	54,376
Available-for-sale investments	68	68
Right-of-use assets	56,020	33,066
Investment properties	19,231	7,407
Intangible assets	50,439	51,678
Concession service assets	2,561,038	2,429,713
Investments in associates	2,640	2,640
Deferred tax assets	7,331	14,909
Trade and other receivables	552,555	560,943
Total non-current assets	3,544,638	3,818,726
Current assets		
Biological assets	-	139
Inventories	8,402	36,533
Tax recoverable	2,605	2,557
Construction contract assets	131,408	159,581
Trade and other receivables	468,197	298,655
Other investments	15,390	71,488
Cash and deposits	391,236	246,675
Total current assets	1,017,238	815,628
Total assets	4,561,876	4,634,354

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
 30 JUNE 2024**

RM'000	Unaudited as at 30.06.2024	Audited as at 30.06.2023
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	209,746	197,536
Reserves	(32,604)	(130,290)
Equity attributable to owners of the Company	177,142	67,246
Non-controlling interests	(2,338)	(18,989)
Total equity	174,804	48,257
Non-current and deferred liabilities		
Loans and borrowings	2,605,865	2,599,968
Lease liabilities	15,973	13,656
Employee benefits	187	7,476
Deferred tax liabilities	148,698	151,724
Trade and other payables	280,460	214,107
Total non-current and deferred liabilities	3,051,183	2,986,931
Current liabilities		
Loans and borrowings	237,259	448,689
Lease liabilities	3,188	3,667
Construction contract liabilities	750.00	750
Trade and other payables	1,066,206	1,120,237
Tax liabilities	28,486	25,823
Total current liabilities	1,335,889	1,599,166
Total liabilities	4,387,072	4,586,097
Total equity and liabilities	4,561,876	4,634,354

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE 12-MONTH PERIOD ENDED 30 JUNE 2024**

RM'000	Attributable to the owners of the Company								Non-controlling interests	Total equity
	Non-distributable				Distributable					
	Share capital	Other reserve	Warrant reserve	Foreign exchange translation reserve	Employees' Share Scheme	Treasury shares	Retained earnings	Total		
At 1 July 2023	197,536	686	27,889	(6,272)	1,506	(1,026)	(153,073)	67,246	(18,989)	48,257
Loss for the year	-	-	-	-	-	-	88,915	88,915	(4,088)	84,827
Foreign currency translation differences for foreign operations	-	11	-	313	-	-	-	324	-	324
Other reserve and non-controlling interest movement upon disposal of subsidiary	-	301	-	8,146	-	-	-	8,447	20,739	29,186
Total comprehensive income/(loss) for the year	-	312	-	8,459	-	-	88,915	97,686	16,651	114,337
Private placement of ordinary shares	12,210	-	-	-	-	-	-	12,210	-	12,210
Warrant expired	-	-	(27,889)	-	-	-	27,889	-	-	-
At 30 June 2024	209,746	998	-	2,187	1,506	(1,026)	(36,269)	177,142	(2,338)	174,804

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

RM'000	Attributable to the owners of the Company								Non-controlling interests	Total equity
	Non-distributable				Distributable					
	Share capital	Other reserve	Warrant reserve	Foreign exchange translation reserve	Employees' Share Scheme	Treasury shares	Retained earnings	Total		
At 1 July 2022	197,536	650	27,889	11,745	1,506	(1,026)	(63,842)	174,458	(3,286)	171,172
Loss for the year	-	-	-	-	-	-	(89,231)	(89,231)	(14,656)	(103,887)
Foreign currency translation differences for foreign operations	-	36	-	(18,017)	-	-	-	(17,981)	(1,047)	(19,028)
Total comprehensive loss for the year	-	36	-	(18,017)	-	-	(89,231)	(107,212)	(15,703)	(122,915)
At 30 June 2023	197,536	686	27,889	(6,272)	1,506	(1,026)	(153,073)	67,246	(18,989)	48,257

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE 12-MONTH PERIOD ENDED 30 JUNE 2024**

RM'000	Cumulative quarter ended <u>12-month</u> 30.06.2024	Audited for year ended <u>12-month</u> 30.06.2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	97,889	(70,888)
Adjustments for:		
Accretion of fair value on non-current receivables	(48,407)	(51,000)
Interest income	(2,837)	(2,763)
Interest expenses	85,953	89,764
Employees' share scheme (gain)/expenses	-	448
Bad debt written-off	81	62
Amortisation of transaction costs	-	205
Depreciation of property, plant and equipment	8,720	33,127
Depreciation of right-of-use assets	1,679	8,536
Depreciation of investment properties	293	141
Amortisation of intangible assets	1,103	1,756
Impairment loss on receivables	-	13,008
Impairment of intangible assets	-	593
Share of loss of associates	-	162
Land held for development written-off	-	5,122
Reversal of development cost	-	15,174
Inventories written-off	139	69
Inventories written-down	-	5,246
Gain on disposal of property, plant and equipment - net	(1,636)	(1,833)
Gain on derecognition of right-of-use assets	-	(2,390)
Gain on disposal of subsidiary	(189,188)	-
Fair value loss arising from other investment	-	48
Fair value (gain)/loss arising from biological assets	-	521
Operating profit before working capital changes	142,977	45,108
Changes in working capital:		
Decrease/(Increase) in inventories	5,854	(6,642)
Decrease/(Increase) in construction contract assets	28,173	(36,778)
Decrease in property development costs	-	2,054
Increase in concession service assets	(131,325)	(89,000)
(Increase)/Decrease in trade and other receivables	(87,334)	47,837
(Decrease)/ Increase in trade and other payables	281,256	193,928
Cash from operations	239,601	156,507
Interest received	2,837	2,763
Income tax paid - net	(7,783)	(3,464)
Net cash from operating activities	234,655	155,806

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE 12-MONTH PERIOD ENDED 30 JUNE 2024**

RM'000	Cumulative quarter ended <u>12-month</u> 30.06.2024	Audited for year ended <u>12-month</u> 30.06.2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of land held for development	(17,843)	(532)
Addition of property development costs	-	(3,918)
Proceeds from disposal of property, plant and equipment	-	442
Proceeds from terminated projects	-	4,640
Proceed from private placement	12,210	-
Purchase of property, plant and equipment	-	(13,780)
Repayment from affiliate companies	-	1,869
Advance to associate	-	(20)
Net cash used in investing activities	(5,633)	(11,299)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Increase in pledged deposits/restricted cash	(200,962)	(102,141)
Interest paid	(86,465)	(128,197)
Additional/(repayment) of lease liabilities	1,838	(4,319)
Repayment of finance lease liabilities (net)	-	(5,278)
Advance from associate	-	53
Repayments to holding company	-	(484)
Advance from affiliate companies	(81)	1,398
Proceeds from drawdown of loans and borrowings	(46,430)	10,339
Net cash from/(used in) financing activities	(332,100)	(228,629)
Net decrease in cash and cash equivalents (carried down)	(103,078)	(84,122)
Effects of exchange difference on cash and cash equivalents	-	(76)
Cash and cash equivalents at beginning of the period	64,937	149,135
Cash and cash equivalents at end of the period	(38,141)	64,937
Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following amounts:		
Deposits placed with licensed banks	152,297	72,335
Cash and bank balances	238,939	174,339
Short term investments	15,390	71,488
	406,626	318,162
Less:		
Bank overdrafts	(39,326)	(48,746)
Pledged deposits and cash and bank balances	(156,300)	(59,323)
Restricted cash and bank balances	(249,141)	(145,156)
Cash and cash equivalents at end of the period	(38,141)	64,937

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134, PARAGRAPH 6

1. ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting*, and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and these explanatory notes attached to the interim financial statements as they provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Company and its subsidiary companies (“the Group”) since the financial year ended 30 June 2023.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies, method of computation and basis of consolidation applied in the unaudited condensed interim financial statements are consistent with those used in the preparation of the audited financial statements for the financial year ended 30 June 2023.

Amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the Amendments to MFRSs relevant to the Group and the Company which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
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¹ Effective date deferred to a date to be announced by MASB

The initial application of the Amendments to MFRSs above are not expected to have any material impact to the financial results of the Group.

3. STATUS OF FINANCIAL STATEMENTS QUALIFICATION

The auditors’ report of the preceding audited financial statements for the financial year ended 30 June 2023 was not subject to any qualification.

4. REVIEW OF SEASONALITY OR CYCLICALITY OF OPERATIONS

The Group was not significantly affected by any seasonal or cyclical factors.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134, PARAGRAPH 6

5. ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS THAT ARE UNUSUAL DUE TO THE NATURE, SIZE OR INCIDENCE

There were no unusual items due to the nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows for the quarter ended 30 June 2024.

6. CHANGES IN ESTIMATES REPORTED IN PRIOR FINANCIAL YEARS

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

7. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities for the current quarter.

8. DIVIDEND PAID

No dividend was paid for the period under review.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134, PARAGRAPH 6

9. SEGMENT REPORTING

Segment reporting is presented in respect of the Group's business segments. Inter-segment pricing is determined based on cost plus method.

RM'000	Engineering & Construction	Concession	Oil & Gas	Plantation	Property	Other Operations	Eliminations	Consolidated
12-month								
30.06.2024								
Revenue								
External revenue	207,156	72,004	75,660	-	12,339	-	-	367,159
Inter-segment Revenue	-		1,209		-	14,838	(16,047)	-
Total revenue	207,156	72,004	76,869	-	12,339	14,838	(16,047)	367,159
Results								
Segment results	(44,815)	35,105	(8,749)	(26,675)	33	142,990	-	97,889
Interest income	866	2	5	-	26	1,938	-	2,837
Interest expenses	(37,457)	(22,686)	(6,672)	(18,559)	(579)	-	-	(85,953)
Non-cash income/ (expenses) (Note i)	1,416	48,407	220	189,188	-	-	-	239,231
Depreciation and amortisation of non-current assets	(1,577)	(132)	(3,467)	(5,776)	(787)	(56)	-	(11,795)
12-month								
30.06.2023								
Revenue								
External revenue	235,741	56,232	71,648	8,887	7,936	-	-	380,444
Inter-segment revenue	108,971		9,087			42,653	(160,711)	-
Total revenue	344,712	56,232	80,735	8,887	7,936	42,653	(160,711)	380,444
Results								
Segment results	(4,191)	35,530	(3,941)	(92,382)	(4,150)	(1,592)	(162)	(70,888)
Interest income	925	1,820	6	-	12	-	-	2,763
Interest expenses	(26,430)	(24,581)	(7,809)	(31,969)	820	-	-	(89,969)
Non-cash income (Note i)	-	51,000	-	(1,157)	-	-	-	49,843
Depreciation and amortisation of non-current assets	(6,217)	(115)	(12,420)	-	(793)	(1,658)	-	(21,203)

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134, PARAGRAPH 6

9. SEGMENT REPORTING (continued)

Note i:

RM'000	Cumulative quarter ended <u>12-month</u> 30.06.2024	Cumulative quarter ended <u>12-month</u> 30.06.2023
Accretion of fair value of non-current receivables	48,407	51,000
Amortisation of transaction costs	-	205
Gain/(Loss) on foreign exchange - unrealised	-	521
Gain on disposal of property, plant and equipment	1,636	(1883)
Gain on disposal of subsidiary	189,188	-
Total	239,231	49,843

10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuation of property, plant and equipment has been brought forward without amendment from the latest audited financial statements.

11. SUBSEQUENT EVENTS

There was no material event subsequent to the end of the current quarter up to 29th August 2024 (being the latest practicable date from the date of issuance of the Quarter Report) that has not been reflected in the financial statements for the current quarter.

12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material changes in the composition of the Group during the current quarter.

13. CONTINGENT LIABILITIES

There were no material contingent liabilities in the period under review.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134, PARAGRAPH 6

14. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Directors regard Zaki Holdings (M) Sdn. Bhd., a company incorporated and domiciled in Malaysia, as the ultimate holding company of the Company. The significant transactions with the Directors, parties connected to the Directors, and companies in which the Directors have substantial financial interests are as follows:

RM'000	Cumulative quarter ended <u>12-month</u> 30.06.2024	Cumulative quarter ended <u>12-month</u> 30.06.2023
Trade		
Purchases from following companies in which a director has substantial financial interests, and is also a director:		
- Kemaman Quarry Sdn. Bhd.	39	14
- QMC Sdn. Bhd.	-	-
Sales to the following companies of which a director has substantial financial interests, and is also a director		
- MIM Waste Services Sdn. Bhd.	(15)	(138)
- Kemaman Quarry Sdn. Bhd.	-	(17)
Non-trade		
Administrative services charged by ultimate holding company	276	61
Insurance premium charged by ultimate holding company	94	448
Rental of land charged by a director of the Company	-	598
Security services charged by ultimate holding company	741	1,408

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
REQUIREMENTS UNDER PART A OF APPENDIX 9B**

1. REVIEW OF PERFORMANCE

The Group posted a revenue of RM96.8 million and a profit before tax (“PBT”) of RM12.5 million for the current quarter ended 30 June 2024, as compared to a revenue of RM124.2 million and LBT of RM14.3 million in the previous corresponding quarter ended 30 June 2023. The decrease in revenue by 22% is mainly due to lower revenue in the Engineering & Construction Division. Despite having lower revenue in the current quarter, the Group registered higher PBT mainly due to the loss making plantation subsidiary (PT IGP) has been disposed.

The Oil & Gas Division recorded revenue of RM24.3 million during the quarter, an increase of 60% from the revenue in the previous year’s corresponding quarter of RM15.2 million. The drilling activities throughout the quarter contributed to the higher revenue performance of the division. The division recorded PBT of RM5.2 million in the current quarter, as compared to RM4.2 million loss before tax (“LBT”) in the corresponding quarter of the previous financial year.

The Engineering & Construction Division reported a revenue of RM47.6 million and LBT of RM9.9 million in the current quarter as compared to a revenue of RM97.6 million and PBT of RM55.1 million in the corresponding quarter of the previous financial year.

The Property Division reported a revenue of RM3.4 million and LBT of RM0.6 million in the current quarter as compared to a revenue of RM3.7 million and LBT of RM2.1 million in the corresponding quarter of the previous financial year.

The Group posted a PBT of RM12.5 million for the quarter as compared to a LBT of RM25.3 million recorded for the same quarter in FY2023. The positive results was mainly due to the loss making plantation subsidiary (PT IGP) has been disposed in Q2 of FY2024.

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
 REQUIREMENTS UNDER PART A OF APPENDIX 9B**

2. REVIEW OF MATERIAL CHANGES BETWEEN CURRENT QUARTER AND PRECEDING QUARTER

RM'000	Current quarter ended 30.06.2024	Preceding quarter ended 31.03.2024	Variance + / (-)
Revenue	96,806	93,927	2,879
Profit/(Loss) before tax	12,472	2,725	9,747
Adjust: Forex (gain)/loss	4	-	4
Forex-adjusted profit/(loss) before tax	12,476	2,725	9,751

The Group's quarterly revenue increased to RM96.8 million, from RM93.9 million in the previous quarter mainly due to higher revenue generated by the Oil & Gas and Concession divisions.

The Group posted a higher PBT of RM12.5 million mainly due to better profitability from the Oil & Gas Division. The lower result in the preceeding quarter was mainly contributed by Oil & Gas division as it incurred a significant maintenance dredging cost of RM12.3 million in the quarter.

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
REQUIREMENTS UNDER PART A OF APPENDIX 9B**

3. PROSPECTS

The Group has RM1.0 billion of outstanding order-book as at 30 June 2024 and continues to focus in increasing its order-book. The current outstanding balance will be able to sustain the Engineering and Construction Division in the next couple of years.

The Group is greatly encouraged by the Malaysian Government's announcement of the mid-term review of "The Twelfth Malaysia Plan (12MP)" which highlighted 'Enhancing Connectivity & Transport Infrastructure' as one of the key Policy Enablers that will play a crucial role in facilitating growth across all sectors of Malaysia's economy. This should translate into greater opportunities for the construction industry in the coming years. The recent announcement made by the Government in the revised budget also supports this intention and this augurs well with the industry we are invested in.

In addition to new projects being rolled-out by the Government, the Group continues to tender for projects in the private sector which in turn, keeps its clientele base sufficiently diversified. Moving forward, the Group intends to leverage on its position as a reputable builder of distinction to tap into any suitable opportunities on offer in the sector.

The Oil and Gas division hosted the first drilling campaign out of the supply base at the end of the previous quarter. With the success of that campaign, the division expects more drilling operations to be based out from the supply base in the future.

The Group also benefits by the stable contribution from the Concession Division. It continues to provide positively to the Group from its long-term concessions which will last up to year 2038.

As a whole, the Group continues to practise prudent financial management and rigorously manages its resources to ensure that it will continue to remain resilient in facing challenges of operating in the new normal working environment.

4. VARIATION OF ACTUAL PROFIT FROM FORECAST PROFIT AND SHORTFALL IN PROFIT GUARANTEE

Not applicable.

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
 REQUIREMENTS UNDER PART A OF APPENDIX 9B**

5. TAXATION

RM'000	Cumulative quarter ended <u>12-month</u> 30.06.2024	Cumulative quarter ended <u>12-month</u> 30.06.2023
Current tax expense	14,119	16,668
Deferred taxation	(1,057)	16,331
Income tax expense	13,062	32,999

6. CORPORATE PROPOSALS

There are no corporate proposals which have been announced by the Company but not completed as at 30 June 2024.

7. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings (secured) as at 30 June 2024 are as follows:

RM'000	Denominated in currency	Current	Non-current	Total
Bank overdrafts	RM	39,326	9,736	49,062
Trust receipts	RM	-	-	-
Revolving credits	RM	111,714	-	111,714
Revolving credits	USD	-	-	-
Term loans	RM	49,091	1,142,751	1,191,842
Term loans	USD	-	-	-
Finance lease liabilities	RM	36,826	1,057	37,883
Sukuk	RM	302	1,452,321	1,452,623
Bankers acceptance	RM	-	-	-
Invoice financing	RM	-	-	-
Total		237,259	2,605,865	2,843,124

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
REQUIREMENTS UNDER PART A OF APPENDIX 9B**

8. MATERIAL LITIGATIONS

At the date of this report, the Directors are not aware of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group and the Company except as disclosed as follows:

Writ and Statement of Claim against AEON Co. (M) Bhd and Counter Claim by AEON Co. (M) Bhd ("AEON")

On 2 March 2022, Betanaz Properties Sdn Bhd ("Betanaz"), a 51%-owned subsidiary of the Company served a Writ and Statement of Claim ("Claim") on AEON pertaining to the breach of Tenancy Agreement by AEON which was entered into between both parties on 24 August 2017, where Betanaz granted to AEON a tenancy and lease of a plot of land held under H.S.(D) 59653, PT No. 145020, Mukim Kuala Kuantan, Daerah Kuantan, Pahang for AEON to construct and thereafter, to operate a commercial shopping complex. The Tenancy Agreement was subsequently supplemented and/or amended by a Supplementary Tenancy Agreement dated 13 September 2019.

Betanaz is claiming against AEON for the following:

- (1) Judgment in the sum of RM59,302,302.97, or such other amount as assessed by the Court;
- (2) in the alternative to (1) above, Judgment in the sum of RM18,936,207.76, or such other amount as assessed by the Court;
- (3) interest at such rate and for such period as the Court deems fit and just;
- (4) costs; and
- (5) such further and or other relief as the Court deems fit and just.

Betanaz and AZRB have on 29 March 2021 and 31 March 2021 respectively, received a Defence against Betanaz's claim, and a Counterclaim by AEON against Betanaz and AZRB seeking a refund of the monies paid by AEON to Betanaz and AZRB, on the ground that the Tenancy Agreement, and the Commercial Agreement dated 24 August 2017 between AZRB and AEON ("Commercial Agreement") were allegedly void by reason of the alleged non-fulfilment of the conditions precedent to those agreements.

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
REQUIREMENTS UNDER PART A OF APPENDIX 9B**

8. MATERIAL LITIGATIONS (continued)

AEON is claiming against Betanaz, amongst others, the return or payment of RM2,303,087 under the Tenancy Agreement and against AZRB, amongst others, the return of RM28,415,094 under the Commercial Agreement.

Betanaz has filed its Reply to Defence and Defence to Counter-claim on 19 April 2021 and AZRB has filed its Defence to the Counter-Claim and an Application to Strike Out the Counter-Claim on 7 May 2021. On 22 October 2021, the High Court allowed AZRB's striking out application against AEON's Counterclaim with costs. On 26 October 2021, AEON appealed to the Court of Appeal against the High Court Order dated 22 October 2021. On 9 May 2022, the Court of Appeal allowed AEON's appeal and set aside the Order of the High

Court dated 22 October 2021. As a result, AZRB was reinstated as the 2nd Defendant in AEON's Counterclaim.

On 01 June 2023, AEON filed 2 Applications against Betanaz and AZRB for specific discovery of a number of categories of documents ("Specific Discovery Applications"). Both AEON's Specific Discovery Applications were heard by the trial Judge on the first day of Trial on 06 July 2023, and were dismissed with costs in the cause.

The trial of the abovenamed action has since commenced on 6 to 7 July 2023 and continued in several sessions until 28 August 2024. The decision of the matter is fixed on 16.12.2024.

9. DIVIDEND

No dividend was declared or paid during the period under review.

**PART B: EXPLANATORY NOTES TO BURSA MALAYSIA SECURITIES BERHAD LISTING
 REQUIREMENTS UNDER PART A OF APPENDIX 9B**

10. EARNINGS/(LOSS) PER SHARE

The basic earnings/(loss) per share was calculated based on the consolidated results after taxation and minority interests over the weighted average number of ordinary shares in issue during the period calculated as follows:

RM'000	Current quarter ended <u>3-month</u> 30.06.2024	Comparative quarter ended <u>3-month</u> 30.06.2023	Cumulative quarter ended <u>12-month</u> 30.06.2024	Cumulative quarter ended <u>12-month</u> 30.06.2023
Earnings/(Loss) attributable to owners of the Company	3,941	(25,484)	88,915	(89,231)
Weighted average number of ordinary shares in issue	657,741	598,098	639,236	598,098
Earnings/(Loss) per share (sen)	0.60	4.26	13.91	(14.92)

11. FINANCIAL INSTRUMENT - DERIVATIVES

Not applicable.

12. GAINS AND LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

Not applicable. All financial liabilities are measured using the amortised cost method.