

# INFRAHARTA HOLDINGS BERHAD

(Company No. 200701007217 / 765218-V)

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2024 (2<sup>nd</sup> QUARTER)

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Individual Quarter 3 months ended (Unaudited)		Cumulative Quarter 6 months ended (Unaudited)	
	30-Sep-24 RM'000	30-Sep-23 RM'000	30-Sep-24 RM'000	30-Sep-23 RM'000
Revenue	8,945	11,459	16,245	16,784
Cost of sales	(8,678)	(11,062)	(15,379)	(15,960)
<b>Gross profits</b>	267	397	866	824
Administrative expenses	(1,107)	(1,184)	(2,205)	(2,326)
Other operating income	42	54	82	145
Loss from operations	(798)	(733)	(1,257)	(1,357)
Finance income	4	5	8	8
Finance cost	(29)	(32)	(56)	(67)
<b>Net finance cost</b>	(25)	(27)	(48)	(59)
<b>Loss before taxation</b>	(823)	(760)	(1,305)	(1,416)
Income tax expenses	-	-	-	-
<b>Loss after taxation/Total comprehensive loss</b>	(823)	(760)	(1,305)	(1,416)
<b>Net loss attributable to:</b>				
Owners of the Company	(766)	(830)	(1,357)	(1,621)
Non-controlling interests	(57)	70	52	205
	(823)	(760)	(1,305)	(1,416)
<b>Total comprehensive loss attributable to:</b>				
Owners of the Company	(766)	(830)	(1,357)	(1,621)
Non-controlling interests	(57)	70	52	205
	(823)	(760)	(1,305)	(1,416)
<b>Loss per share attributable to owners of the Company:</b>				
Basic (sen)	(0.18)	(0.22)	(0.33)	(0.43)

*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 financial year ended 31 March 2024 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.*

# INFRAHARTA HOLDINGS BERHAD

(Company No. 200701007217 / 765218-V)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	As at 30-Sep-24 (Unaudited) RM'000	As at 31-Mar-24 (Audited) RM'000
<b>Non-Current Assets</b>		
Plant and equipment	560	805
Right of use assets	1,774	2,040
Other investments	3,719	3,719
Goodwill	2,080	2,080
Trade receivables	9,994	9,927
	<u>18,127</u>	<u>18,571</u>
<b>Current Assets</b>		
Contract assets	17,073	21,891
Contract costs	137	114
Inventories	18,609	20,152
Trade receivables	10,216	13,407
Other receivables, deposits and prepayments	9,375	8,936
Tax recoverable	1,001	925
Fixed deposits with a licensed bank	264	234
Cash and bank balances	2,543	1,777
	<u>59,218</u>	<u>67,436</u>
<b>TOTAL ASSETS</b>	<u>77,345</u>	<u>86,007</u>
<b>EQUITY</b>		
Share capital	150,176	148,213
Fair value reserves	(6,141)	(6,141)
Accumulated losses	<u>(96,764)</u>	<u>(95,407)</u>
<b>Equity attributable to owners of the Company</b>	47,271	46,665
Non-controlling interests	<u>(3,636)</u>	<u>(3,688)</u>
<b>Total Equity</b>	<u>43,635</u>	<u>42,977</u>
<b>Non Current Liabilities</b>		
Lease liabilities	990	1,214
Deferred tax liabilities	10	10
Trade payables	2,934	2,961
	<u>3,934</u>	<u>4,185</u>
<b>Current Liabilities</b>		
Contract liabilities	-	342
Trade payables	11,394	24,843
Other payables and accruals	17,050	12,171
Lease liabilities	581	728
Bank borrowings	751	755
Tax payable	-	6
	<u>29,776</u>	<u>38,845</u>
<b>Total Liabilities</b>	<u>33,710</u>	<u>43,030</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>77,345</u>	<u>86,007</u>
<b>Net Asset per share (in RM)</b>	<u>0.11</u>	<u>0.11</u>

*The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.*

# INFRAHARTA HOLDINGS BERHAD

(Company No. 200701007217 / 765218-V)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	← Attributable to owners of the Company →			Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Non-Distributable	Distributable	Distributable			
	Share Capital RM'000	Fair Value Reserve RM'000	Accumulated Losses RM'000			
<b>As At 1 April 2024</b>	148,213	(6,141)	(95,407)	46,665	(3,688)	<b>42,977</b>
Shares issued during the period						
- Issue of shares pursuant to private placement	1,963	-	-	1,963	-	<b>1,963</b>
Total comprehensive loss for the period	-	-	(1,357)	(1,357)	52	<b>(1,305)</b>
<b>As At 30 Sept 2024 (Unaudited)</b>	<b>150,176</b>	<b>(6,141)</b>	<b>(96,764)</b>	<b>47,271</b>	<b>(3,636)</b>	<b>43,635</b>
<b>As At 1 April 2023</b>	144,744	(4,618)	(88,425)	51,701	(501)	<b>51,200</b>
Shares issued during the year						
- Conversion of redeemable convertible preference shares	1,175	-	-	1,175	-	<b>1,175</b>
- Issue of shares pursuant to private placement	2,294	-	-	2,294	-	2,294
	3,469	-	-	3,469	-	<b>3,469</b>
Fair value loss on other investments	-	(1,523)	-	(1,523)	-	<b>(1,523)</b>
Total comprehensive loss for the year	-	-	(6,982)	(6,982)	(3,187)	<b>(10,169)</b>
<b>As At 31 March 2024 (Audited)</b>	<b>148,213</b>	<b>(6,141)</b>	<b>(95,407)</b>	<b>46,665</b>	<b>(3,688)</b>	<b>42,977</b>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.

# INFRAHARTA HOLDINGS BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	<b>As at 30-Sep-24 (Unaudited) RM'000</b>	<b>As at 30-Sep-23 (Unaudited) RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(1,305)	(1,416)
Adjustments for:		
Amortisation & depreciation	427	478
Interest income	(8)	(8)
Interest expense	56	67
Loss on disposal of plant and equipment	13	-
<b>Operating loss before working capital changes</b>	(817)	(879)
Changes in contract assets/liabilities (net)	4,476	3,997
Increase in contract costs	(23)	(14)
Decrease / (Increase) in trade and other receivables	2,685	(7,182)
(Decrease) / Increase in trade and other payables	(8,597)	3,635
Decrease / (Increase) in inventories	1,543	(161)
<b>Net cash used in operations</b>	(733)	(604)
Income tax paid	(121)	(417)
Income tax refunded	39	97
<b>Net cash used in operating activities</b>	(815)	(924)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of plant & equipment	-	(14)
Proceeds from disposal of plant & equipment	60	-
Release in fixed deposits pledged	-	19
Increase in fixed deposits pledged	(30)	-
Interest received	8	8
<b>Net cash generated from investing activities</b>	38	13
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(56)	(67)
Repayment of lease liabilities	(360)	(440)
Repayment of trade financing	-	(124)
Proceeds from issuance of ordinary shares	1,963	-
Proceeds from issuance of redeemable convertible preference shares	-	705
<b>Net cash generated from financing activities</b>	1,547	74
<b>Net changes in cash and cash equivalents</b>	770	(837)
<b>Cash and cash equivalents brought forward</b>	1,022	1,039
<b>Cash and cash equivalents carried forward</b>	1,792	202
<b><u>Cash and cash equivalents comprise:</u></b>		
Cash and bank balances	2,543	1,145
Fixed deposits	264	203
Bank overdrafts	(751)	(943)
	2,056	405
Less: Deposits pledged	(264)	(203)
	1,792	202

*The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2024 and the accompanying explanatory notes attached to the Interim Consolidated Financial Statements.*

# INFRAHARTA HOLDINGS BERHAD

(Company No. 200701007217 / 765218-V)

## **PART A. EXPLANATORY NOTES PURSUANT TO MALYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING**

### **A1. Basis of Preparation**

The unaudited condensed interim financial statements for the 2<sup>nd</sup> quarter ended 30 September 2024 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). These interim financial statements also comply with International Accounting Standards ("IAS") 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes.

The accounting policies and methods of computation adopted in these interim financial statements of the Group are consistent with those adopted in the annual audited financial statements for the financial year ended 31 March 2024, except the adoption of amendments to MFRSs and IC Interpretations that are effective for the financial period beginning on or after 1 April 2024 which does not have any significant impact on the interim financial statements of the Group.

### **A2. Audited Report on Preceding Annual Financial Statements**

The audited financial statements for the financial year ended 31 March 2024 was not subject to any qualification.

### **A3. Seasonal or Cyclical Factors**

The business operations of the Group for the current financial quarter under review were not materially affected by any seasonal or cyclical factors.

### **A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no material items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current financial quarter under review.

### **A5. Material Changes in Estimates**

There were no material changes in the estimates of amounts reported that have material effect on the results for the current financial quarter under review.

# INFRAHARTA HOLDINGS BERHAD

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## PART A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING

### A6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial quarter under review.

### A7. Dividend Paid

There was no dividend paid during the current financial quarter under review.

### A8. Segmental Reporting

The Group's business segmental information are as follows:

	<u>Revenue</u>		<u>Loss before tax</u>	
	Cumulative Quarter		Cumulative Quarter	
	6 months ended		6 months ended	
	(Unaudited)		(Unaudited)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RM'000	RM'000	RM'000	RM'000
Constructions	13,867	11,979	(448)	(688)
Property development	2,378	4,799	79	257
Investment holdings and others	-	6	(936)	(985)
	<u>16,245</u>	<u>16,784</u>	<u>(1,305)</u>	<u>(1,416)</u>

There was no disclosure on geographical segment as all the revenue is derived from Malaysia and from external customers.

### A9. Valuation of Property, Plant and Equipment

The property, plant and equipment of the Group have not been revalued during the current financial quarter under review.

### A10. Changes In the Composition of The Group

here were no material changes to the composition of the Group during the current financial quarter under review.

# INFRAHARTA HOLDINGS BERHAD

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## PART A. EXPLANATORY NOTES PURSUANT TO MALYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING

### A11. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities, either secured or unsecured, or contingent assets of the Group as at the end of the current financial quarter, except as disclosed below:

#### Contingent liability

Pursuant to the letter of award dated 11 February 2022, Infracarta Sdn Bhd ("ISB"), a wholly-owned subsidiary of the Infracarta Holdings Berhad, had been granted an award by Sheng Tai Impression Sdn Bhd ("STI"), as the main contractor to carry out some contract works which comprises supplying all services, labour, equipment and material (where applicable) for the construction until completion of a project known as Jonker Walk 2 (Basement & Lower Ground Slab Inclusive Retaining Wall up to Ground Level) ("Project"). The Project's initial completion date was 23 February 2023 and STI subsequently granted an extension of time until 23 December 2023.

After the first extended period, ISB had made another two (2) separate written extension of time ("EOT") applications to STI and/ or its appointed architect ("Architect") on 16 November 2023 ("First EOT Application") and 25 March 2024 ("Second EOT Application") to extend the completion period for the Project. However, only a partial EOT was granted extending the completion date to 6 April 2024.

On 19 March 2024, ISB submitted an appeal to the Architect to challenge the First EOT Application as the partial rejection of the said application by the Architect was not supported with detailed grounds to ISB ("First EOT Appeal"). Subsequently, ISB submitted second appeal via a letter dated 16 May 2024 challenging the full rejection of the extension made in the Second EOT Application which was also not supported with detailed grounds to ISB ("Second EOT Appeal").

The outcome of the First EOT Appeal and Second EOT Appeal is still pending, concurrently, both parties are in the midst of negotiating mutual termination. In the event ISB, fails to obtain the EOT for the project, ISB would be liable to pay Liquidated and Ascertain Damages ("LAD") based on RM30,000 per calendar day.

In the opinion of the Directors, after taking appropriate professional advice, ISB has valid ground and justification to be entitled the EOT. The outcome of the mutual termination will be announced once it has concluded.

### A12. Capital Commitments

There were no material capital commitments approved or contracted for as at 30 September 2024.

# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B1. Review of Group's Performance

	Individual Quarter 3 months ended (Unaudited)			Cumulative Quarter 6 months ended (Unaudited)		
	30-Sep-24	30-Sep-23	Change	30-Sep-24	30-Sep-23	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	8,945	11,459	-22%	16,245	16,784	-3%
Loss before taxation	(823)	(760)	8%	(1,305)	(1,416)	-8%
Loss after taxation	(823)	(760)	8%	(1,305)	(1,416)	-8%
Net loss attributable to owners of the Company	<u>(766)</u>	<u>(830)</u>	8%	<u>(1,357)</u>	<u>(1,621)</u>	-16%

The Group's revenue for individual quarter ended 30 September 2024 was decreased by RM2.51 million, or 22%, as compared to individual quarter ended 30 September 2023. This was mainly due to the low revenue recognised by property development segment as the work progress was nearly to complete.

Despite the decreased in property development segment of 22% during the current individual quarter ended 30 September 2024, the Group's revenue for cumulative quarter ended 30 September 2024 was minor decreased by RM0.54 million, or 3%, as compared to cumulative quarter ended 30 September 2023, mainly due to the higher revenue contributed by construction segment as some of the construction projects has reached to their peak performance.

The loss before taxation for the individual quarter ended 30 September 2024 was increased marginally by RM63,000, or 8%, compared to the preceding individual quarter ended 30 September 2023, mainly due to the lower profit attributed by the property development segment.

Overall, the Group reported a lower loss before taxation of RM1.31 million for the cumulative quarter ended 30 September 2024, a decrease of approximately RM111,000, or 8%, compared to the cumulative quarter ended 30 September 2023. The reduced was principally due to reduce in advertisement expenses and depreciation of plant and equipment.



# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B2. Variation of Results for The Current Individual Quarter Against Immediate Preceding Quarter

	Individual Quarter 3 months ended (Unaudited)		Changes	
	30-Sep-24 RM'000	30-Jun-24 RM'000	RM'000	%
Revenue	8,945	7,300	1,645	23%
Loss before taxation	(823)	(482)	341	71%
Loss after taxation	(823)	(482)	341	71%
Net loss attributable to owners of the Company	<u>(766)</u>	<u>(591)</u>	175	30%

The Group recorded higher revenue of RM8.95 million for the current individual quarter ended 30 September 2024 as compared to RM7.30 million for the immediate preceding quarter ended 30 June 2024. The increased in revenue of RM1.65 million, or 23%, mainly derived from construction segment as the projects are presently in their optimal/completion stages of work progress.

The Group's loss before taxation for the current individual quarter ended 30 September 2024 was significant increased by RM341,000, or 71%, as compared to immediate preceding quarter ended 30 June 2024, mainly due to the lower profit contributed from the property development segment as well as the expenses recognised such as AGM related expenses, internal audit fee and training program fees.

# INFRAHARTA HOLDINGS BERHAD

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## **PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

### **B3. Group's Prospects**

We foresee ongoing opportunities for the Group and are confident on building an upward trajectory as the Malaysian economy has grown up from year 2023 as compared to current statistic in year 2024. Progress in new and existing commercial and industrial projects continued to support activity in the non-residential subsector. Growth in the civil engineering and residential subsectors improved but remained subdued.

The Group has been actively and continuously looking out for new opportunities for construction segments. On the construction segment, our Management are actively tendering and negotiating for projects related to earthwork, drainage, roadworks and infrastructure located in West Malaysia.

Buoyed by the success of our Pavilion Residence property development project in strategic location and with affordable price points, the Group plans to continue targeting more projects in residential property. The National Housing Policy (2018 – 2025) is formulated to ensure the adequacy of the housing supply, and fostering safe, healthy and harmonious living environment. In realising this policy, an action plan is being developed to ensure more meaningful parameters are set to strike a balance between median house prices and median income level. With the government incentives and expected economic recovery, we are look forward to maintaining positive outlook for residential property industry.

Barring any unforeseen circumstances, the Board and the Management of the Group are cautiously optimistic on its prospects and sustainability for both segments with the financial capacity to raise funds as and when required through corporate exercises on a new chapter in financial year ending 2025.

### **B4. Variance Of Profit Forecast**

The Group did not announce or disclose any profit forecast/ profit guarantee in a public document that related to this period.

### **B5. Income Tax Expense**

There was no provision for tax in the current quarter as the subsidiaries of the Group have sufficient unutilised tax losses and unabsorbed capital allowances to set off against any taxable profit.

# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B6. Group Borrowings and Debt Securities

The Group's borrowings are as follows: -

	As at 30-Sep-24 (Unaudited) RM'000	As at 31-Mar-24 (Audited) RM'000
<b>Current</b>		
<u>Lease liabilities</u>		
- Hire purchase leases	314	425
- Other leases	267	303
	<u>581</u>	<u>728</u>
<u>Bank borrowing</u>		
- Trade financing	-	-
- Bank overdrafts	751	755
	<u>751</u>	<u>755</u>
<b>Non-current</b>		
<u>Lease liabilities</u>		
- Hire purchase leases	207	310
- Other leases	783	904
	<u>990</u>	<u>1,214</u>

The Group does not have any foreign currency borrowings as at 30 September 2024. All borrowings indicated above are denominated in Ringgit Malaysia.

### B7. Material Litigation

**Originating Summons, Kuala Lumpur High Court Suit No. WA-24NCC-311-06/2023 ("OS 311") filed by Consortium Zenith Construction Sdn. Bhd. ("CZC") for an injunction to restrain Buildmarque Construction Sdn. Bhd. ("BCSB") from presenting a winding up petition against CZC**

#### **OS 311**

On 22 May 2023, BCSB served a winding up Statutory Notice of Demand pursuant to Sections 465 and 466 of the Companies Act, 2016 on CZC demanding for payment of RM7,374,420 ("Demanded Sum") being the unpaid sum inclusive of interest calculated as at the date of the Notice due and owing by CZC to BCSB pursuant to the Deed of Rescission and Terminated dated 29 December 2021 (entered into between CZC, BCSB and Infraharta Sdn. Bhd. ("ISB")) ("the Deed").

The Deed records CZC's termination of BCSB as a sub-contractor for constructions works relating to the Major Roads and Penang Third Link Project in the State of Penang ("PMRT Project"). CZC was main contractor for the PMRT Project.

A Winding-Up petition would have been presented against CZC in the event CZC failed to pay the Demanded Sum within 21 days of the notice.

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B7. Material Litigation (cont'd)

#### **OS 311 (cont'd)**

CZC had on 7 June 2023 via its solicitors filed, Kuala Lumpur High Court Originating Summons No. WA-24NCC-311-06/2023 ("OS 311") to seek for an injunction to restrain BCSB from presenting a winding-up petition against CZC.

On 12 June 2023, the High Court granted an Injunction to restrain BCSB from presenting the winding-up petition in view that a certain portion of the Demanded Sum is disputed by CZC through Suit 443, which will be further elaborated below.

#### **Writ of Summons and Statement of Claim served on BCSB and ISB by CZC, KUALA LUMPUR HIGH COURT OF MALAYA AT KUALA LUMPUR VIDE SUIT NUMBER: WA-22NCvC-443-08/2023 ("Suit 443")**

#### **Suit 443**

On 17 August 2023, BCSB, ISB and Dato Lee Chee Hoe (collectively known as "Defendants") were served with a Sealed Writ of Summons and Statement of Claim filed by CZC. By the Statement of Claim, CZC seeks for the following reliefs: -

- a) a declaration that Part A of the Deed was entered into without free consent of CZC whose consent is caused by misrepresentation;
- b) a declaration that Part A of the Deed is void and unenforceable in law;
- c) BCSB shall pay to CZC a sum of RM1,032,739.73 being the monies paid by CZC to BCSB caused by the misrepresentation;
- d) all further proper accounts, inquiries and/or directions;
- e) damages for fraud;
- f) general, aggravated, punitive and/or exemplary damages to be assessed;
- g) interest on the judgment sum to be calculated at the rate of 5% per annum from the date of the filing of the action until the date of full and final settlement;
- h) costs; and
- i) such further and/or other reliefs that the Court deems just and proper.

On 9 August 2024, BCSB and ISB filed their re-amended defence and BCSB filed its amended counterclaim. Through the amended counterclaim, BCSB seeks for an order that CZC pays BCSB its entitlement under Part A, Part B and Part C of the Deed.

BCSB seeks to recover RM22,597,362.49 under Part C of the Deed which represents the total value of works carried out by BCSB for the Project. CZC has filed its amended reply and defence on 13 August 2024.

On 18 October 2024, the Judge in Suit 443 allowed CZC's application to transfer Suit 443 to the Court hearing Suit 535. Details on Suit 535 will be elaborated below.

# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B7. Material Litigation (cont'd)

#### **WRIT AND STATEMENT OF CLAIM SERVED ON INFRAHARTA SDN BHD BY CONSORTIUM ZENITH CONSTRUCTION SDN BHD, KUALA LUMPUR HIGH COURT OF MALAYA VIDE SUIT NUMBER: WA-22NCC-535-08/2024 ("SUIT 535")**

##### **Suit 535**

On 14 August 2024, ISB and Vizione Construction Sdn Bhd ("VCSB") (collectively referred to as the "Defendants") were served with a Sealed Writ of Summons and Statement of Claim filed by CZC vide Suit No. WA-22NCC-535-08/2024 ("Suit 535").

For brief factual context, in August 2018, CZC had sub-contracted a part of the works for the PMRT Project to BCSB. BCSB is an entity that is jointly owned by ISB and VCSB.

By Suit 535, it is alleged that only after ECK Development Sdn Bhd's ("ECK") acquisition of a majority shareholding in CZC that it discovered that CZC incurred costs under suspicious circumstances. CZC alleges that among such costs were payments made by CZC to ISB for works carried out under the PMRT Project. Prior to ECK's acquisition of majority shareholding in CZC, CZC made payments amounting to RM13,121,660.00 ("Funds") to ISB.

Insofar as Suit 535 concerns ISB, CZC claims that: -

- (a) ISB received the Funds wrongfully and are liable to return the same to CZC;
- (b) the transfer of the Funds is tainted with fraud and deceit;
- (c) ISB and VCSB conspired to injure CZC;
- (d) ISB has been unjustly enriched by receipt of the Funds; and
- (e) ISB is a constructive trustee over the Funds and is liable to account to CZC for the same.

The Board of IHB emphasizes that the transfer of the Funds was approved by the then shareholders and Board of Directors of CZC. The Funds were transferred in 2017 to be utilized by ISB for another project. Further, the Funds are unrelated to the PMRT Project as the PMRT Project was only sub-contracted to BCSB in August 2018. In fact, BCSB was only incorporated on 15 August 2018.

The Board of IHB is of the view that the allegations and reliefs sought in Suit 535 against ISB are baseless and intends for ISB to vigorously resist the claim. As of the date of this announcement, there is no material financial and operational impact arising from the Suit 535 on the Group.

ISB has filed its defence to Suit 535 on 19 November 2024. CZC is due to file its reply to defence on or before 24 December 2024. Any interlocutory applications (if necessary) are to be filed on or before 31 December 2024.

The next case management is scheduled to proceed on 14 January 2025 via Zoom before Justice Atan Mustaffa Yussof Ahmad.

# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B8. Dividend Proposed

No dividend has been declared during the current quarter under review.

### B9. Earnings Per Share ("EPS")

#### i) Basic EPS

The basic earnings per share of the Group is calculated by dividing the profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue.

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	(Unaudited)		(Unaudited)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RM'000	RM'000	RM'000	RM'000
Net loss attributable to owners of the Company	(766)	(830)	(1,357)	(1,621)
Weighted average number of ordinary shares in issue ('000)	414,608	377,909	414,608	377,909
Basic loss per ordinary share (sen)	(0.18)	(0.22)	(0.33)	(0.43)

#### ii) Diluted EPS

Diluted earnings per share were not computed as the Group does not have any dilutive potential ordinary shares in issue at the end of the financial period under review.

### B10. Significant Event Subsequent to Reporting Period

There was no significant event subsequent to this reporting period, being the latest practicable date not earlier than seven (7) days from the date of the issue of this report that are expected to have an operational or financial impact on the Group.

# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B11. Status of Corporate Proposal Announced

There was no corporate proposal announced but not completed as at the date of this report, which disclosed below:

#### **Private Placement**

On 15 January 2024, the Company proposed to undertake a private placement of up to 49,880,000 new ordinary shares, representing up to approximately 10% of the total number of issued shares, to third-party investor(s) to be identified later and at an issue price to be determined later.

The Board, having considered the current and prospective financial position, needs and capacity of the Company as well as the rationale and all other aspects of the Proposed Private Placement, is of the opinion that the Proposed Private Placement is in the best interests of the Company.

On 24 January 2024, Bursa Securities had approved the Proposed Private Placement. Further details of the Proposed Private Placement are announced to the Bursa Securities website, [https://www.bursamalaysia.com/market\\_information/announcements/companyannouncement](https://www.bursamalaysia.com/market_information/announcements/companyannouncement)

The first tranche of the Private Placement comprising 21,818,000 Placement Shares issued at RM0.1100 per Placement Share, was listed on the Main Market of Bursa Securities on 11 March 2024. The second tranche of the Private Placement was completed on 30 May 2024 which comprising 12,605,000 Placement Shares issued at RM0.1555 per Placement Share. Both tranches of Private Placement have raised total of RM4,360,057.

As at 30 September 2024, the status of utilisation of the proceeds raised from the private placement are as follows:-

Purpose	Utilisation		Intended Timeframe for Utilisation	Yet to be utilised amount RM'000	%	Explanation (if "Yet to be utilised" is 5% or more)
	Proposed RM'000	Actual RM'000				
(i) Funding for on-going projects	2,982	2,982	Within 3 months	-	-	-
(ii) Working capital	1,246	1,246	Within 3 months	-	-	-
(iii) Estimated expenses relating to the proposals	132	132	Immediate	-	-	-
Total	<u>4,360</u>	<u>4,360</u>				

# INFRAHARTA HOLDINGS BERHAD

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## PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

### B12. Notes to the Statement of Profit or Loss and Other Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	(Unaudited)		(Unaudited)	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RM'000	RM'000	RM'000	RM'000
Loss before taxation is arrived at after charging/(crediting): -				
Depreciation of:-				
- plant and equipment	90	105	173	177
- right of use assets	100	134	254	301
Loss on disposal of plant and equipment	-	-	13	-

### B13. Authorization For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 November 2024.