

**EKOVEST BERHAD**

Registration No: 198501000052 (132493-D)

**Condensed Consolidated Statement of Comprehensive Income  
For The Financial Period Ended 31 March 2024**

	Individual Period		Cumulative Period	
	Current Year Quarter (Unaudited) 31 March 2024 RM'000	Preceding Year Corresponding Quarter 31 March 2023 RM'000	Current Year To-date (Unaudited) 31 March 2024 RM'000	Preceding Year Corresponding Period 31 March 2023 RM'000
<b>Continuing operations</b>				
Revenue	306,462	220,179	875,359	837,576
Fair value loss in biological assets	(681)	(395)	(706)	(1,405)
Cost of sales	(167,573)	(95,347)	(540,465)	(527,181)
<b>Gross profit</b>	<b>138,208</b>	<b>124,437</b>	<b>334,188</b>	<b>308,990</b>
Other income	4,585	5,260	17,112	16,529
Depreciation and amortisation	(4,527)	(3,343)	(13,499)	(9,631)
Administrative and general expenses	(20,617)	(35,342)	(79,314)	(83,958)
<b>Results from operating activities</b>	<b>117,649</b>	<b>91,012</b>	<b>258,487</b>	<b>231,930</b>
Interest income	1,243	2,130	5,236	5,672
Interest expense	(112,090)	(61,528)	(267,560)	(181,688)
Share of result of associate	7,432	-	7,665	-
Profit before tax	14,234	31,614	3,828	55,914
Current year tax expense	(2,137)	(3,721)	(19,643)	(15,041)
Deferred tax expense	(9,180)	(38,721)	* (29,456)	(33,123)
Profit / (loss) for the period / year	2,917	(10,828)	(45,271)	7,750
Other comprehensive income / (loss), net of tax	267	(21)	266	(21)
Total comprehensive profit / (loss) for the period / year	3,184	(10,849)	(45,005)	7,729
(Loss) / profit for the period / year attributable to :-				
- Owners of the Company	(11,109)	(15,857)	(58,087)	(15,452)
- Non-controlling interests	14,026	5,029	12,816	23,202
Profit / (loss) for the period / year	2,917	(10,828)	(45,271)	7,750
Total comprehensive (loss) / income for the period/year attributable to :-				
- Owners of the Company	(10,842)	(15,878)	(57,821)	(15,473)
- Non-controlling interests	14,026	5,029	12,816	23,202
Total comprehensive income / (loss) for the period/year	3,184	(10,849)	(45,005)	7,729
Loss per share attributable to owners of the Company				
- Basic (sen)	(0.37)	(0.59)	(1.96)	(0.57)
- Diluted (sen)	(0.37)	(0.59)	(1.96)	(0.57)

**Remarks :**

\*The deferred tax expense is mainly arises from the toll operations' segment where the unrecognition of deferred tax asset for the unabsorbed business losses pursuant to Section 44(5F) of the Income tax Act, where in a 10-year limitation on carried forward losses is imposed, and the temporary difference in the amortisation rate utilised between the accounting and tax bases.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Reports And Financial Statements for the year ended 30 June 2023)

**EKOVEST BERHAD**

Registration No: 198501000052 (132493-D)

**Condensed Consolidated Statement of Financial Position  
As at 31 March 2024**

	As At 31 March 2024 (Unaudited) RM'000	As At 30 June 2023 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	242,921	247,584
Investment properties	858,785	858,423
Right-of-use assets	257,915	263,057
Land held for property development	529,077	529,057
Concession assets	7,991,739	7,701,568
Bearer plants	335,076	339,297
Biological assets	3,330	3,046
Intangible assets	1,562	1,622
Investment in associates	23,672	15,843
Other investments	1,310	1,310
Performance deposits	48,995	48,995
Other receivables	20,770	20,093
Deferred tax assets	27,569	27,569
	10,342,721	10,057,464
<b>Current assets</b>		
Inventories	75,305	95,986
Biological assets	1,123	1,935
Contract assets	88,169	114,709
Contract costs	2,907	2,907
Property development costs	131,860	119,401
Trade and other receivables	409,691	304,947
Current tax assets	14,301	13,457
Investment funds	129,496	277,300
Short term deposits	91,744	322,751
Cash and bank balances	173,721	75,263
	1,118,317	1,328,656
<b>TOTAL ASSETS</b>	11,461,038	11,386,120
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,256,139	1,138,871
Reserves	1,104,272	1,166,381
Equity attributable to owners of the Company	2,360,411	2,305,252
<b>Non-controlling interests</b>	528,318	491,218
<b>Total equity</b>	2,888,729	2,796,470
<b>Non-current liabilities</b>		
Lease liabilities	10,240	11,991
Bank borrowings	402,245	442,819
Medium term notes	5,313,738	5,467,678
Reimbursable interest assistance	358,287	342,636
Deferred income	245,481	254,567
Provision for heavy repairs	13,676	13,639
Deferred tax liabilities	623,104	593,571
	6,966,771	7,126,901
<b>Current liabilities</b>		
Contract liabilities	101,859	140,082
Trade and other payables	876,716	742,247
Lease liabilities	5,745	5,298
Bank borrowings	408,975	415,533
Medium term notes	192,500	152,500
Current tax liabilities	19,743	7,089
	1,605,538	1,462,749
<b>Total liabilities</b>	8,572,309	8,589,650
<b>TOTAL EQUITY AND LIABILITIES</b>	11,461,038	11,386,120
Net assets per share attributable to owners of the Company (RM)	0.80	0.86

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Reports And Financial Statements for the year ended 30 June 2023)

**EKOVEST BERHAD**

Registration No: 198501000052 (132493-D)

**Condensed Consolidated Statement of Changes in Equity  
For The Financial Year Ended 31 March 2024**

	Attributable to Equity Holders of the parent				Non-controlling Interests	Total Equity	
	Non-distributable			Distributable			
	Share capital RM'000	Translation reserve RM'000	Asset revaluation reserve RM'000	Retained Earnings RM'000	Sub-total RM'000	RM'000	RM'000
<b>At 1 July 2023</b>	1,138,871	(61)	82,453	1,083,989	2,305,252	491,218	2,796,470
Total comprehensive loss for the year	-	266	-	(58,087)	(57,821)	12,816	(45,005)
Issuance of ordinary shares	117,268	-	-	-	117,268	-	117,268
Effect of disposal of subsidiary's shares	-	-	-	(4,288)	(4,288)	24,457	20,169
Dividend paid by a subsidiary to non-controlling interests	-	-	-	-	-	(173)	(173)
<b>At 31 March 2024 (Unaudited)</b>	<b>1,256,139</b>	<b>205</b>	<b>82,453</b>	<b>1,021,614</b>	<b>2,360,411</b>	<b>528,318</b>	<b>2,888,729</b>
<b>At 1 July 2022</b>	1,138,871	8	82,453	1,186,879	2,408,211	453,806	2,862,017
Total comprehensive income for the year	-	(21)	-	(15,452)	(15,473)	23,202	7,729
Acquisition of a subsidiary	-	-	-	(131)	(131)	392	261
Effect of disposal of warrants in a subsidiary	-	-	-	3,000	3,000	-	3,000
Accretion arising from issuance of shares by a subsidiary to non-controlling interests	-	-	-	5,216	5,216	33,499	38,715
Dividend paid by a subsidiary to non-controlling interests	-	-	-	-	-	(48)	(48)
<b>At 31 March 2023</b>	<b>1,138,871</b>	<b>(13)</b>	<b>82,453</b>	<b>1,179,512</b>	<b>2,400,823</b>	<b>510,851</b>	<b>2,911,674</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Reports And Financial Statements for the year ended 30 June 2023)

**EKOVEST BERHAD**

Registration No: 198501000052 (132493-D)

**Condensed Consolidated Statement of Cash Flows  
For The Financial Year Ended 31 March 2024**

	For The Financial Year Ended	
	31 March 2024 (Unaudited) RM'000	31 March 2023 (Unaudited) RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	3,828	55,914
Adjustment for:		
Non-cash items	87,968	74,314
Non-operating items	(6,788)	530
Net interest expense	220,681	150,266
Operating profit before working capital changes	305,689	281,024
Changes in property development costs	(11,929)	(1,381)
Changes in inventories	20,524	91,697
Changes in receivables	(107,028)	(221,400)
Changes in payables	114,592	99,787
Changes in contract costs	-	(257)
Changes in contract assets / liabilities	(11,682)	(32,104)
Cash generated from operating activities	310,166	217,366
Interest received	6,820	5,360
Interest paid	(35,320)	(30,534)
Tax paid	(8,123)	(10,695)
Net cash generated from operating activities	273,543	181,497
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(7,233)	(14,808)
Net redemptions of investment funds	152,792	395,911
Acquisition of shares in associate, net of cash	(122)	-
Acquisition of shares in subsidiary, net of cash	-	132
Addition to land held for property development	(20)	-
Addition to investment properties	(1,056)	(164)
Addition to concession assets	(141,973)	(93,902)
Additions of bearer plants and biological assets	(4,907)	(3,365)
Proceeds from disposal of property, plant and equipment	925	379
Proceeds from disposal of investment properties	-	1,100
Proceeds from disposal of investment in subsidiaries	20,170	-
Proceeds from disposal of other investment	-	3,000
Placement in designated bank account	(109,794)	(7,490)
Withdrawal / (placement) withdrawal of short term deposits	221,648	(2,875)
(Advances to) / repayment from related parties	(207)	171
Net cash generated from investing activities	130,223	278,089
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Drawdown of bank borrowings	48,935	10,207
Dividend paid to non-controlling interests	(173)	(48)
Repayment of bank borrowings	(94,430)	(138,319)
Repayment of profit element on IMTNs	(335,502)	(228,029)
Repayment of medium term notes	(152,500)	(120,000)
Proceed from the issuance of medium term notes	-	128,989
Proceeds from private placement	117,268	-
Proceeds from issuance of shares by a subsidiary to non-controlling interests	-	39,108
Drawdown of hire purchase liabilities	358	4,688
Payment of rental lease liabilities	(1,044)	(3,583)
Payment of rental lease term charges	(301)	(82)
Payment of hire purchase liabilities	(3,299)	(5,127)
Payment of hire purchase term charges	(799)	(737)
Net cash used in financing activities	(421,487)	(312,933)
Net changes in cash and cash equivalents	(17,721)	146,653
Cash and cash equivalents at the beginning of the financial period	20,218	24,496
Cash and cash equivalents at end of financial period	2,497	171,149
Represented by:		
Cash and bank balances	173,721	227,315
Bank overdrafts	(36,849)	(44,009)
Designated bank accounts	(134,375)	(12,157)
	2,497	171,149

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Reports And Financial Statements for the year ended 30 June 2023)



**Ekovest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**Notes to the Interim Financial Report (3<sup>rd</sup> Quarter - 31 March 2024)**

**A1 Basis of Preparation**

The condensed interim financial statements are unaudited and have been prepared in compliance with the Malaysian Financial Reporting Standards ('MFRS') 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The condensed interim financial statements should be read in conjunction with the Group's annual reports and financial statements for the year ended 30 June 2023.

**1.1 Changes in Accounting Policies**

The significant accounting policies, methods of computation and basis of consolidation adopted are consistent with those of the most recent audited financial statements for the year ended 30 June 2023, except for the adoption of the following Amendments to MFRSs that are effective for the Group from 1 July 2023:

MFRS 17	Insurance Contracts	1 January 2023
Amendment to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules	1 January 2023

The adoption of the above Amendments to MFRSs does not have significant impact on the financial position and financial performance of the Group nor any of the Group's significant accounting policies.

**A2 Audit Report**

The preceding annual financial statements of the Group were not qualified.

**A3 Seasonal or Cyclical Factors**

Although seasonal or cyclical changes have minimal impact on the operations of the Group, the business is nevertheless susceptible to the vagaries of the construction and property development industries.



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**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
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**A4 Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 31 March 2024.

**A5 Changes in the Estimates of Amount Reported Previously With Material Effect in Current Interim Period**

There were no significant changes of estimates reported previously in current interim period.

**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 during the quarter under review.

**A7 Dividend Paid**

There were no dividend declared or paid for the current quarter ended 31 March 2024.

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**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

## A8 Segmental Information

Segmental information is presented in respect of the Group's business segment. Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter (Unaudited)	Preceding Year Corresponding Quarter	Current Financial Year (Unaudited)	Preceding Financial Year
	31/03/2024 RM'000	31/03/2023 RM'000	31/03/2024 RM'000	31/03/2023 RM'000
<b><u>Revenue</u></b>				
Construction operations	138,409	78,929	488,597	342,733
Property development	4,407	15,271	19,761	129,112
Toll operations	124,873	89,358	241,065	235,065
Plantation	26,249	25,052	88,274	96,455
Food and beverages	1,706	2,884	7,000	9,940
Property Investment & Others	10,818	8,685	30,662	24,271
<b>Total</b>	<b>306,462</b>	<b>220,179</b>	<b>875,359</b>	<b>837,576</b>
<b><u>Segment Results</u></b>				
Construction operations	20,641	48,111	96,618	70,099
Property development	601	(809)	3,121	14,783
Toll operations	111,950	79,770	205,408	208,745
Plantation	(1,598)	1,693	12,049	20,835
Food and beverages	(1,960)	(470)	(4,875)	(757)
Property Investment & Others	2,042	1,714	5,741	5,553
Elimination	347	(7,442)	(3,082)	(13,885)
<b>Total</b>	<b>132,023</b>	<b>122,567</b>	<b>314,980</b>	<b>305,373</b>

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**A8 Segmental Information (Cont'd)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter (Unaudited)	Preceding Year Corresponding Quarter	Current Financial Year (Unaudited)	Preceding Financial Year
	31/03/2024 RM'000	31/03/2023 RM'000	31/03/2024 RM'000	31/03/2023 RM'000
Administrative expenses	(13,131)	(29,425)	(51,257)	(67,771)
Finance cost	(112,090)	(61,528)	(267,560)	(181,688)
Share of result of associate	7,432	-	7,665	-
<b>Profit before tax</b>	<b>14,234</b>	<b>31,614</b>	<b>3,828</b>	<b>55,914</b>
Tax expense	(11,317)	(42,442)	(49,099)	(48,164)
<b>Profit/(loss) for the period</b>	<b>2,917</b>	<b>(10,828)</b>	<b>(45,271)</b>	<b>7,750</b>

**A9 Revaluation of Property, Plant and Equipment**

There were no amendments in the valuation amount of revalued assets brought forward to the current quarter ended compared to most recent annual financial statements.

**A10 Material Subsequent Event**

On 22 February 2024, a subsidiary of the Company, namely Ekovest Properties Sdn Bhd had entered into two separate sale & purchase agreements ("SPA") with Airman Sdn Bhd for the disposal of thirteen (13) parcels of land for a total consideration approximately RM66.804 million. As of the date of this report, certain conditions precedent of the SPA have not been fulfilled and therefore the sale of land has yet to be completed.

**A11 Changes in Composition of the Group**

There were no changes in the composition of the Group during the quarter under review.

**A12 Contingent Liabilities**

There were no changes in contingent liabilities subsequent to the quarter and period ended 31 March 2024.





**Ekovest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**A13 Capital Commitments**

Capital commitments of the Group as at 31 March 2024 are as follows –

	<b>RM'000</b>
Approved and contracted for capital expenditure in respect of:	
- Concession assets	51,714
- Motor vehicles	1,007
- New planting of bearer plants and biological asset	8,221
- Purchase of investment property	2,358
	<u>63,300</u>

**A14 Significant Related Party Transactions**

The Group has significant related party transactions with companies in which certain directors of the Company have interests, as follows:

	<b>9 months ended 31 March 2024 RM'000</b>
<b>With company in which certain Directors of the Company, have interests:</b>	
<b>Charged by:</b>	
Knusford Berhad and its subsidiaries and associate companies	<u>33,237</u>
<b>Charged to:</b>	
Knusford Berhad and its subsidiaries and associate companies	<u>3,724</u>

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**Notes to the Interim Financial Report (3<sup>rd</sup> Quarter – 31 March 2024)**

**B1 Financial Review**

**(i) Financial review for current quarter**

	Individual Period (3rd Quarter)		Changes	
	Current Year Quarter (Unaudited)	Preceding Year Corresponding Quarter	RM'000	%
	31/03/2024 RM'000	31/03/2023 RM'000		
Revenue	306,462	220,179	86,283	39.19
Segment Results	132,023	122,567	9,456	7.71
Profit before tax	14,234	31,614	(17,380)	(54.98)
Profit/(loss) after tax	2,917	(10,828)	13,745	126.94
Loss attributable to owners of the Company	(11,109)	(15,857)	4,748	29.94

**Current quarter (“3Q 2024”) against preceding year corresponding quarter (“3Q 2023”)**

For the 3Q 2024, the Group reported a revenue of RM306.462 million and profit before tax of RM14.234 million as compared to the revenue of RM220.179 million and profit before tax of RM31.614 million reported in the 3Q 2023.

The performance of the respective operating business segments for the 3Q 2024 under review as compared to the 3Q 2023 is analysed as follow:

**Construction operations**

The construction segment reported a higher revenue of RM138.409 million for the 3Q 2024 as compared to RM78.929 million in 3Q 2023. The revenue increase compared to 3Q 2023 was mainly attributable to the continuous growth in work done on the RTS Link project. The ongoing finalisation of contract due to the completion of the Setiawangsa-Pantai Expressway (“SPE”) also contributed to the revenue of the construction segment. However, the segment result has decreased from RM48.111 million in 3Q 2023 to RM20.641 million in 3Q 2024 mainly due to the higher operating costs of the RTS Link project as compare to our existing construction project.



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Registration No: 198501000052 (132493-D)  
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**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B1 Financial Review (cont'd)**

**Property development**

The property development segment reported a revenue of RM4.407 million and a segment result of RM0.601 million profit for the current quarter as compared with revenue of RM15.271 million profit and segment result of RM0.809 million loss in the preceding year corresponding quarter. The decrease in revenue is primarily attributed to lower sales concluded from the balance of units in EkoCheras during the current quarter. With the limited sales units available, the Group is preparing for the launching of EkoTitiwangsa to kick start our new property development.

**Toll operations**

The toll operations segment registered a higher revenue of RM124.873 million in 3Q 2024 as compared to RM89.358 million in 3Q 2023, marking approximately 39.75% increase in revenue. The higher revenue in this current reporting quarter was due to the increase in toll collections from the opening of the new SPE Highway on 3 November 2023. As a result of the increased revenue, this segment reported a higher profit of RM111.950 million in 3Q 2024 as against RM79.770 million in 3Q 2023.

During the quarter, this segment also recorded RM57.553 million in the revenue which represent the toll compensation for the freezing of toll rates for the year 2022. Meanwhile, toll compensation for the freezing of toll rates for the year 2021 amounting to RM36.748 million was received in 3Q 2023.

**Plantation**

For the current quarter 3Q 2024, the plantation segment registered a revenue of RM26.249 million and a segment result of RM1.598 million loss as compared with revenue of RM25.052 million and segment result of RM1.693 million profit in the preceding year corresponding quarter. The decrease in the segment's earnings were mainly attributed to the lower sales contribution from the oil palm plantation, weaker commodity price for crude palm oil, decline in yield of oil palm estates and comparatively weaker margin for offtake of downstream durian products.

**Food and Beverages**

The F&B division has registered a lower revenue of RM1.706 million for 3Q 2024 as against the RM2.884 million in 3Q 2023. The decline in revenue was mainly attributed to the restructuring of the F&B outlets within the Group, where total 5 outlets were closed during the quarter to pave the way forward to a new approach in franchising and licencing. The higher loss of RM1.960 million in 3Q 2024 as compared to a loss of RM0.470 million in 3Q 2023 was also contributed by the higher operating and staff costs incurred for the opening of the new restaurant, DUKE's Kitchen in INNSiDE by Meliá Hotel in EkoCheras.

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**B1 Financial Review (cont'd)**

**Property Investment and others**

The property investment segment's revenue for the current quarter has improved from RM8.685 million in 3Q 2023 to RM10.818 million in 3Q 2024. The increase in the revenue is mainly due to the newly opened INNSiDE by Meliá Hotel in EkoCheras in March 2023 and no further rebates were given to the tenants of EkoCheras Mall as compared to the preceding corresponding quarter.

**(ii) Financial review for financial year to date**

	Cumulative Period		Changes	
	Current Year To-Date (Unaudited)	Preceding Year Corresponding Period	RM'000	%
	31/03/2024 RM'000	31/03/2023 RM'000		
Revenue	875,359	837,576	37,783	4.51
Segment Results	314,980	305,373	9,607	3.15
Profit before tax	3,828	55,914	(52,086)	(93.15)
(Loss)/profit after tax	(45,271)	7,750	(53,021)	NM
Loss attributable to owners of the Company	(58,087)	(15,452)	(42,635)	275.92

NM - Not meaningful

**Current year to date (“YTD 2024”) against preceding year corresponding period (“YTD 2023”)**

For the YTD 2024, the Group registered a revenue of RM875.359 million and profit before tax of RM3.828 million as compared to the revenue of RM837.576 million and profit before tax of RM55.914 million reported in YTD 2023. The lower profit for the YTD 2024 as compared to YTD 2023 is mainly due to the financing costs for SPE Highway no longer be capitalized in the financial statements since the full opening of SPE. The performance of the respective operating business segments for the YTD 2024 under review as compared to the YTD 2023 is analysed as follows :



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**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
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**B1 Financial Review (cont'd)**

**Construction operations**

The construction sector reported a higher revenue of RM488.597 million for the YTD 2024 as compared to RM342.733 million in YTD 2023. The revenue increased as compared to YTD 2023 as our Rapid Transit System Link ("RTS Link") project is progressing steadily. The segment results has improved from RM70.099 million in 2023 to RM96.618 million in YTD 2024 mainly due to our Setiawangsa-Pantai Expressway ("SPE") project which is nearing completion, there are some savings on the construction cost upon the gradual finalisation of the sub-contractors' final account and certifications.

**Property development**

The property development segment for the YTD 2024 reported a lower revenue of RM19.761 million as compared to preceding year corresponding period of RM129.112 million. Similarly, the segment's result has declined from a profit of RM14.783 million in YTD 2023 to a profit of RM3.121 million in YTD 2024. This decline is primarily attributed to lower sales concluded during the current reporting period due to limited units available as compared to the previous year wherein September 2022 the Company has just obtained the Bumi Release for EkoCheras units therefore more units are available for sales.

**Toll operations**

The toll operations sector registered a slightly higher revenue of RM241.065 million in YTD 2024 as compared to RM235.065 million in YTD 2023 and reported a lower profit of RM205.408 million in YTD 2024 as against RM208.745 million in YTD 2023. The revenue recorded in YTD 2023 includes the toll compensation for calendar year 2020 and year 2021 amounting to RM79.456 million in total, as compared to YTD 2024 which recorded the toll compensation for calendar year 2022 of RM57.553 million, the lower compensation amount recorded in YTD 2024 appeared to have relatively lower gross profits. By excluding the toll compensation, there is an increase approximately 17.93% in the toll collection receipts for YTD 2024 as compared to YTD 2023 due to the increase in toll collections from the opening of the new SPE Highway on 3 November 2023.

**Plantation**

The plantation sector registered a lower revenue of RM88.274 million and a segment results of RM12.049 million in YTD 2024 as compared with the revenue of RM96.455 million and a segment results of RM20.835 million in YTD 2023.

The decrease in revenue was mainly attributed to the lower sales contribution from the oil palm plantation and lower Fresh Fruit Bunches (FFB) average selling price. Meanwhile, other divisions' sales such as the durian manufacturing and trading division were also having a lower sales volume for their durian products to overseas customers in China.

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**B1 Financial Review (cont'd)**

**Food and Beverages**

The F&B division has registered a lower revenue of RM7.000 million for YTD 2024 as against the preceding corresponding year of RM9.940 million.

The decrease in revenue primarily stemmed from the recent closure of numerous outlets by the Group throughout the year, which included 2 Langkawi outlets and 5 outlets situated in various shopping malls. Additionally, more outlets will be shuttered in the upcoming quarter, aligning with our new strategic vision for our F&B Group to emphasize on franchising and licensing to enhance our market presence, maximize opportunities, and broaden our potential within the industry.

**Property Investment and others**

The property investment segment's revenue has increased from RM24.271 million in YTD 2023 to RM30.662 million in YTD 2024. This is mainly driven by a higher occupancy rate at EkoCheras Shopping Mall as compared to the previous year. Additionally, our newly opened INNSIDE by Melia Hotel in EkoCheras has also contributed to our segment revenue and gross profit.

**B2 Comparison with preceding quarter results**

**Financial review for current quarter compare with immediate preceding quarter**

	<b>Current Year Quarter (Unaudited)</b>	<b>Immediate Preceding Quarter</b>	<b>Changes</b>	
	<b>31/03/2024</b>	<b>31/12/2023</b>		
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	306,462	296,999	9,463	3.19
Segment results	132,023	83,794	48,229	57.56
Profit/(loss) before tax	14,234	(33,414)	47,648	142.60
Profit/(loss) after tax	2,917	(50,831)	53,748	105.74
Loss attributable to owners of the Company	(11,109)	(50,061)	38,952	77.81

The Group recorded a revenue of RM306.462 million and profit before tax of RM14.234 million in the current quarter as compared to revenue of RM296.999 million and loss before tax of RM33.414 million in the immediate preceding quarter.



**EkoVest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

## **Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

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### **B2 Comparison with preceding quarter results (cont'd)**

For the current reporting quarter, the Group reported a higher revenue as compared to the immediate preceding quarter primarily driven by higher contribution from the construction segment on SPE Highway project. Additionally, the RM57.553 million toll compensation for freezing toll rates in 2022 recorded in the current quarter of our toll operation segment have also contributed to the increase in revenue. Consequently, the net profit after tax has risen from a loss of RM50.831 million in 2Q 2024 to a profit of RM2.917 million in 3Q 2024.

### **B3 Prospects**

The Board remains optimistic in delivering positive financial results and is confident each of the Group's segments would contribute positively to the Group's performance for this financial year ending 30 June 2024.

The Group had also experienced steady increase in toll revenue for Duke Phase-1 and Phase-2 upon the upliftment of the MCO since October 2021, and with the full opening of the SPE on 3 November 2023 will further improve the toll collection revenue under this operating segment, notwithstanding that financing costs for SPE will no longer be capitalised in the financial statements once the full opening of SPE.

The Board will continue to explore the right opportunities which will contribute to both the property development and construction segment simultaneously. The Group has finalised the financial requirement and the authorities' submission, and planned to launch the upcoming new property development, EkoTitiwangsa by the next quarter. As for the construction segment, the Board expects that the on-going rationalisation of the construction scope under the RTS Link project will contribute positively to the Group's future construction revenue and earnings. In addition, the Group is continuously working closely with Government on various infrastructure projects.

Our subsidiary, PLS Plantations Berhad ("PLS"), is in a transition phase from its core business in traditional oil palm plantation to the broader agrofood industry. PLS's transformation journey from the cyclical oil palm plantation to a more diversified range of upstream and downstream activities will require a longer gestation period. In particular, the gestation period for the durian trees is about 4 to 5 years and thus, the bulk of our durian revenues are now mainly from trading activities. In the near term, PLS will continue its current rehabilitation and sanitation works with emphasis on recommended plantation practices to improve the production yield of its oil palm estates, matured durian plantation and contract farm. In addition, PLS will continue to work closely with its current and prospective business associates to improve the retail offtake rate of downstream durian products by offshore wholesalers and end consumers. Concurrently, upstream investment in durian plantation will continue to be a mainstay of PLS to complement its existing downstream business while waiting for PLS's durian farm to be matured and fruitful in 3 to 4 years.

This is in line with the long-term group strategy to expand and diversified into other businesses to reduce dependency and reliance on our existing businesses in construction and property development.

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**B4 Forecast/Profit Guarantee**

There is no profit guarantee or financial forecast for the current quarter.

**B5 Taxation**

	<b>Current quarter ended 31 March 2024</b>	<b>9 months ended 31 March 2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysian taxation		
- current tax	(2,137)	(19,643)
- deferred tax	(9,180)	(29,456)
	<u>(11,317)</u>	<u>(49,099)</u>

The effective current tax rate is higher than statutory tax rate mainly due to the losses incurred by certain subsidiaries and certain expenses not being deductible for tax purposes.

The Group is required to account for the impacts of deferred tax in accordance with Malaysian Financial Reporting Standard 112: Income Taxes. Deferred tax expenses pertain to the recognition of deferred tax liabilities arising from temporary differences between the financial reporting and tax bases of specific assets and liabilities. Temporary differences emerge when the carrying amount of an asset or liability and the timing of recognising these items for financial reporting varies from its tax basis.

The deferred tax expense presented primarily arises from the toll operation segments due to the following factors:

- (i) During the construction period of the concession assets, the finance cost was capitalised into concession assets and to be amortised over the remaining concession period. However, these finance cost was fully claimed as tax deductible expenses upon the interest paid during the construction period. This creates the temporary difference between accounting base and tax base, which arises the deferred tax expense.
- (ii) Unrecognition of deferred tax asset for accumulated unabsorbed business losses pursuant to Section 44(5F) of the Income tax Act 1967, as it is not probable that the existing toll operation business would generate sufficient taxable profit within next 10-year against which the deferred tax asset can be utilised.
- (iii) The annual rate of industrial building allowance ("IBA") allowed to be claimed under the Malaysian tax authority is higher than the amortisation rate used in the accounting basis. This creates the temporary difference between accounting base and tax base, which arises the deferred tax expense.



**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**
**B6 Group Borrowings**

<b>Current Liabilities</b>	<b>CURRENT 3RD QUARTER ENDED 31 MARCH 2024 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 31 MARCH 2023 RM'000</b>
Bank overdraft		
- secured	34,372	41,534
- unsecured	2,477	2,475
Bank term loans - secured	73,431	58,970
Medium term notes	192,500	160,000
Multi Trade financing	18,695	9,709
Revolving credit - secured	280,000	375,443
	601,475	648,131
<b>Non-current Liabilities</b>	<b>CURRENT 3RD QUARTER ENDED 31 MARCH 2024 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 31 MARCH 2023 RM'000</b>
Bank term loans - secured	283,436	336,309
Islamic medium term notes	5,313,738	5,454,635
Revolving credit - secured	118,809	-
	5,715,983	5,790,944

There is a decrease in the Group's borrowings as compared to the preceding year is mainly due to repayment of borrowings during the year.



**Ekovest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B7 Material Litigation**

Save as disclosed below as at 31 March 2024, neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board are not aware and do not have any knowledge of any proceedings, pending or threatened against the Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company and its subsidiaries :

- (i) On 3 July 2018, Ekovest Construction Sdn Bhd ("**ECSB**"), a wholly-owned subsidiary of our Company, had initiated an arbitration proceeding against Samling Resources Sdn Bhd ("**SRSB**") by serving a Notice of Arbitration on SRSB. Thereafter, ECSB had on 2 July 2019 filed a Statement of Case to claim against SRSB based on the following:
  - (a) wrongful termination of the joint venture and shareholders' agreement dated 6 January 2017 entered into between ECSB and SRSB ("**JV Agreement**") to jointly undertake the development and upgrading of the Pan Borneo Highway in the state of Sarawak, Malaysia for work package contract WPC-02 (Semantan to Sg. Moyan Bridge + KSR Interchanges) ("**Highway Project**");
  - (b) misrepresentation by SRSB to ECSB, in order to induce ECSB into performing tasks, duties and responsibilities of SRSB prior to the submission of the tender; the procurement of the Highway Project from Lebuhraya Borneo Utara Sdn Bhd ("**LBUSB**"), the project delivery partner for the Highway Project; and managing the Highway Project and all its ensuing duties and tasks;
  - (c) failure to expeditiously and diligently make the necessary applications for the approvals from LBUSB for the sub-contract of the Highway Project to Samling – Ekovest JV Sdn Bhd, a special purpose vehicle incorporated by ECSB and SRSB to undertake the development and upgrading of the Highway Project ("**JV Company**"); and
  - (d) in the alternative, failure to take any step to compel LBUSB to consent to the sub-contract of the Highway Project to the JV Company, which should not have been unreasonably withheld, in which ECSB claims for general damages, interest and costs to be determined by the arbitrator ("**Arbitration Proceedings**").

The hearing in relation to the Arbitration Proceeding which was fixed from 29 September 2020 to 2 October 2020 were vacated following the order of the Court as detailed in item (ii) below.

On 12 January 2022, SRSB had initiated an arbitration proceeding against ECSB by serving a new Notice of Arbitration on ECSB, claiming against ECSB for, amongst others, the following:

- (a) negligent misrepresentation and/or misstatements;
- (b) breach of duty of care, fiduciary duties, duties under common law and equity;

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B7 Material Litigation (cont'd)**

- (c) breach of the JV Agreement; and
- (d) breach of a collateral agreement between the parties.

ECSB had challenged the validity of the aforesaid notice on grounds that SRSB's attempt to initiate this fresh arbitration tantamount to duplicity and is an abuse of process. ECSB is now pending a response from SRSB.

The parties reached a global settlement on 11 May 2023. On 12 May 2023, the parties, via a letter dated 12 May 2023 from the solicitors for ECSB to the Arbitrator in ECSB's arbitral proceedings, jointly sought the termination of the ECSB's arbitral proceedings. SRSB also via its solicitors' letter dated 12 May 2023 to AIAC sought to terminate the SRSB's arbitral proceedings.

- (ii) On 3 February 2020, our Company and ECSB were served by the solicitors of SRSB with a Writ of Summons and Statement of Claim dated 31 January 2020 ("**Claim**") alleging that our Company and/or ECSB:
  - (aa) were negligent in their representation and/or assurances with regards to the technical advice and support and profit margin for the Highway Project;
  - (bb) failed, neglected and/or omitted to discharge their responsibilities with due care and diligence in the implementation and execution of the Highway Project;
  - (cc) acted in breach of their fiduciary duties owed to SRSB, including inter alia, the duties under common law and equity; and/or
  - (dd) breached and misrepresented in respect of the sub-contractors that were selected, recommended and appointed to carry out the sub-contract works of the Highway Project.

SRSB as plaintiff is claiming against our Company and ECSB as defendants jointly and severally for:

- general damages;
- interest at the rate of 5% per annum pursuant to Section 11 of the Civil Law Act 1956 or at such rate and from such date as the court deems fit and proper until the date of judgement;
- interest at the rate of 5% per annum from the date of judgement until the date of full and final settlement;
- costs; and

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad****B7 Material Litigation (cont'd)**

- such further and/or other relief as the court deems fit and proper.

ECSB and our Company had on 13 February 2020 and 14 February 2020 respectively filed our/its application for a stay of proceedings of the Claim pending the Arbitration Proceeding (“**Stay Applications**”). During the case management held on 21 April 2020, the Deputy Registrar further directed parties to file their respective affidavits and submissions, and had fixed the hearing of the Stay Applications on 6 July 2020. The hearing of the Stay Applications was then adjourned to 13 July 2020. Further to the filing of the written submissions and reply submissions by the parties’ solicitors, the parties’ solicitors also submitted orally and addressed the High Court Judge’s questions during the hearing fixed on 13 July 2020. Thereafter, the High Court Judge fixed the Clarification/Decision for the Stay Applications on 30 July 2020. On 30 July 2020, the High Court Judge dismissed the Company’s application for a stay of proceedings; and the High Court Judge allowed ECSB’s application for a stay of proceedings pending arbitration but imposed a condition that the arbitration between ECSB and SRSB shall only proceed after the resolution of SRSB’s Claim against the Company at Kuala Lumpur High Court.

On 25 August 2020, the Company has filed its notice of appeal to appeal against the decision of the High Court that dismissed the Company’s Stay Application (“**Company’s Appeal**”), and ECSB had also filed its notice of appeal to appeal partly against the condition imposed by the High Court when allowing ECSB’s Stay Application. The Company and ECSB were advised that the Company’s Stay Application and also the ECSB’s Stay Application should be allowed given that the matters to be decided in the aforementioned proceedings are one of the same and that any contradiction in the decisions arising therefrom would unfairly prejudice one party’s claim against each other.

Notwithstanding the aforesaid, the Court of Appeal had on 25 November 2021 (after reading the parties’ respective written submissions together with all relevant documents) (a) allowed ECSB’s appeal and set aside the condition imposed by the High Court Judge that the arbitration between ECSB and SRSB shall only proceed after the resolution of SRSB’s Claim against the Company at the Kuala Lumpur High Court (“**Set Aside Decision**”); and (b) dismissed the Company’s Appeal as the Court of Appeal was of the view that the High Court proceedings between SRSB and the Company could proceed.

On 24 December 2021, SRSB had filed a Notice of Motion to the Federal Court to seek leave from the Federal Court to appeal against the Court of Appeal’s Set Aside Decision (“**SRSB’s Motion**”). The Company had also on 27 December 2021 filed a Notice of Motion to seek leave from the Federal Court to appeal against the decision of the Court of Appeal in dismissing the Company’s Appeal as earlier mentioned (“**Company’s Motion**”). The case management for both the Company’s Motion and SRSB’s Motion was fixed on 12 September 2022 pending the Grounds of Judgment from the Court of Appeal. A Case Management was fixed on 25 October 2022 to update the Court Registrar on the filing of the written submission. The Hearing of both the Company’s Motion and SRSB’s Motion at the Federal Court was fixed on 8 November 2022. Thereafter, the Hearing of both the Company’s Motion and SRSB’s Motion fixed on 8 November 2022 is vacated due to the

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B7 Material Litigation (cont'd)**

rescheduling of cases at the Federal Court. The Court Registrar fixed a Case Management on 7 February 2023 to update the Court Registrar on the filing of the written submissions (which have been filed on 20 October 2022) and the Hearing of both the Company's Motion and SRSB's Motion at the Federal Court was fixed on 22 February 2023.

On 22 February 2023, during the Hearing, the Company through its solicitors made a request for an adjournment of the Hearing as the parties are in the midst of settlement. The Honourable Federal Court Judge, after hearing the oral submissions and explanation, allowed the Company's request for an adjournment of the Hearing and directed the parties' solicitors to appear before the Court Registrar on the same day to fix a new Hearing date. The Hearing of both the Company's Motion and SRSB's Motion at the Federal Court was fixed on 17 May 2023.

On the above matter as a whole, our solicitors are of the opinion that, notwithstanding that the maximum exposure to liabilities and amount of damages, interest and costs pursuant to the Claim cannot be ascertained at this juncture, ECSB has a fair chance of success in the Arbitration Proceeding and the Company has a fair chance of success in the defence to the Claim brought by SRSB as SRSB has failed to expeditiously and diligently make the necessary applications for the approvals from LBUSB for the sub-contract of the Highway Project to the JV Company, and failed to take any step to compel LBUSB to consent to the sub-contract of the Highway Project to the JV Company which should not have been unreasonably withheld. Our solicitors are also of the opinion that the Company has a fair chance of success in the defence to the Claim brought by SRSB as the Company has no involvement after the execution of the JV agreement.

In respect of SRSB's Motion and Company's Motion at the Federal Court, on 12 May 2023, SRSB and EB through their respective solicitors filed the Notice of Withdrawal to withdraw their respective Motions at the Federal Court. Subsequent to the filing of both the Notices of Withdrawal for SRSB's Motion and Company's Motion, the Federal Court via a letter dated 15 May 2023 informed that the Hearing for both the Motions fixed on 17 May 2023 was vacated.

In respect of SRSB's Claim against the Company at the Kuala Lumpur High Court, SRSB through its solicitors filed a Notice of Discontinuance to discontinue the action against the Company.

- (iii) On 7 October 2019, ECSB was served by the solicitors of SRSB with a Statement of Claim of the Defendant against the Third Party ("**Third Party Proceeding**").

SRSB is claiming that in the event it is held liable to Greenland Knusford Construction Sdn Bhd ("**GKCSB**") pursuant to the legal proceeding commenced by GKCSB to claim for loss and damage amounting to RM22,537,460.63 arising from alleged fraudulent, negligent representations, misstatements and/or alleged wrongful termination of GKCSB's employment by SRSB ("**Primary Proceeding**"), then SRSB is entitled to claim in this Third

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B7 Material Litigation (cont'd)**

Party Proceeding against ECSB, for declaratory relief and consequential order for the following:

- (a) a declaration that the alleged misrepresentations and/or misstatements pleaded by the GKCSB in the Statement of Claim was by ECSB and/or contributed by ECSB;
- (b) a declaration that ECSB owes a duty of care to GKCSB and is in breach of that duty of care;
- (c) a declaration that ECSB owes SRSB a fiduciary duty and/or a duty to take care, and ECSB is in breach of that duty;
- (d) a declaration that ECSB has caused SRSB to be sued by GKCSB in the Primary Proceeding;
- (e) consequently, and in the event that SRSB is held liable to GKCSB, an order that ECSB is liable to SRSB for an indemnity and/or a contribution in respect of GKCSB's claim;
- (f) costs incurred by SRSB in defending GKCSB's action;
- (g) cost of this Third Party Proceeding; and
- (h) interests.

The pleadings in respect of the Third Party Proceeding closed on 9 December 2019 and the matter was fixed for further case management on 16 July 2020.

On 19 December 2019, SRSB filed an application under Order 14A and/or Order 33 rule 2 and/or rule 5 of the Rules of Court 2012 ("**O. 14A Application**") for determination of six questions of law and for several consequential orders, including (a) that in the event the questions are determined in SRSB's favour, the claim of GKCSB against SRSB be struck out and/or dismissed, and (b) until the determination of the said questions, all proceedings in this matter be stayed. The case management for this O.14A Application was also fixed on 16 July 2020.

On 16 July 2020, the High Court directed for the O.14A Application to be heard first before the amendment application filed by GKCSB, and that parties are to comply with the directions for submissions.

Upon having heard the parties on their submissions, the High Court had on 3 September 2021 dismissed the O. 14A Application with cost to GKCSB. On 27 September 2021, SRSB filed a Notice of Appeal in respect of the O. 14A Application. SRSB had also filed a Notice of Application together with the Affidavit in Support for a stay of proceedings application

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B7 Material Litigation (cont'd)**

(“**Stay Application**”) on 22 October 2021 and 25 October 2021 respectively. In addition, SRSB had on 20 December 2021 filed a Notice of Application for the recusal of the present judge from hearing and deciding on the action, and that the action be heard and decided by a different high court judge (“**Recusal Application**”). The High Court ordered that in the interest of justice, the Recusal Application shall be heard first. Accordingly, the hearing of this Recusal Application is fixed on 22 March 2022.

Upon hearing parties on 22 March 2022, the Court dismissed the Recusal Application (Encl. 137) with no order as to costs. The Defendant further filed a Stay Application (Encl. 163) in respect of the Recusal Application (Encl. 137). On 25 April 2022, the Court fixed a ruling date on 11 May 2022 to rule whether to hear the Stay Application for Order 14 (Encl. 126) or Stay Application for Recusal (Encl. 163) first both filed by the Defendant. The Court vacated the ruling date on 11 May 2022 and further fixed the same on 17 June 2022. On 17 June 2022, the Court ordered that the Stay Application for Recusal (Encl. 163) should be heard first.

Upon hearing parties on 21 July 2022 and noted the appeals for both the O. 14A Application and Recusal Application on 28 September 2022, the Court allowed the Stay Application for Recusal (Encl. 163) with no order as to costs for the interest of justice. The Court further fixed a further mention on 30 September 2022 to monitor the case.

On 30 September 2022, as the instant matter has been stayed pending disposal of the appeals filed by the Defendant and the hearing date of the appeals has yet to be confirmed by the Court of Appeal, the Court fixed a mention via e-review on 29 November 2022 to update the court on the status of the appeals.

On 29 November 2022, the Plaintiff had informed the Court that the hearing date of the appeals filed by the Defendant has been fixed on 23 June 2023. In the circumstances, the Court further fixed a mention by way of e-review on 26 June 2023 for parties to update the status of the matter.

On 12 May 2023, the Plaintiff has filed a Notice of Discontinuance dated 12 May 2023 wherein the Plaintiff wholly discontinues the instant action with no liberty to file afresh and with no order as to costs and the Defendant wholly discontinues its counterclaim against the Plaintiff with no liberty to file afresh and with no order as to costs and the Defendant also wholly discontinues its Third Party Notice against the Third Party (ECSB) with no liberty to file afresh and with no order as to costs.

In the circumstances, the instant suit is discontinued by parties.

We had sought the necessary legal advice on the above matter and our solicitors are of the opinion that SRSB has a good case in defending GKCSB’s claim in the Primary Proceeding on the basis that the allegation made by GKCSB is time barred pursuant to the limitation

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**
**B7 Material Litigation (cont'd)**

period of two (2) years for tort under Item 19 of the Schedule of Sarawak Limitation Ordinance. As such, ECSB has good prospects to avoid liability to indemnify SRSB against the amount of loss and damage claimed by GKCSB.

Our Directors are of the opinion that the Third Party Proceeding is not expected to have material operational and financial impact on our Group.

**B8 Dividend Declared**

No interim dividend has been declared for the current quarter and year ended 31 March 2024.

**B9 Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year Quarter	Preceding year corresponding Quarter	Current year to-date	Preceding year Corresponding Period
	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)	31 March 2024 (Unaudited)	31 March 2023 (Unaudited)
(a) Basis loss per share				
Net loss attributable to owners of the Company (RM'000)	(11,109)	(15,857)	(58,087)	(15,452)
Weighted average number of ordinary share issue (‘000)	2,965,411	2,695,828	2,965,411	2,695,828
Basic loss per ordinary share (sen)	<u>(0.37)</u>	<u>(0.59)</u>	<u>(1.96)</u>	<u>(0.57)</u>
(b) Diluted loss per ordinary share (sen)	<u>(0.37)</u>	<u>(0.59)</u>	<u>(1.96)</u>	<u>(0.57)</u>





**EkoVest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**B10 Notes to the Statement of Profit or Loss and Other Comprehensive Income**

	Current quarter ended 31 March 2024	9 months ended 31 March 2024
	RM'000	RM'000
(Loss)/Profit before tax is stated after charging /(crediting):		
Interest income	(1,243)	(5,236)
Other income including investment income	(4,585)	(17,112)
Interest expenses	112,090	267,560
Depreciation and amortisation	<u>23,273</u>	<u>58,216</u>

**B11 Corporate Exercises**

**(A) Private Placement**

The Company had on 30 August 2023 proposed to undertake a Private Placement of up to 10% of the total number of issued shares of EkoVest (“Proposed Private Placement”).

The objective of the Proposed Private Placement is to introduce strategic and/or institutional investors to improve EkoVest’s current shareholding mix while raising the required funds for the Company and its subsidiaries’ (“EkoVest Group” or “Group”) business expansion.

The issue price for the private placement has been fixed on 30 August 2023 at RM0.435 per Placement Share. It comprised up to 269,582,800 Placement Shares, calculated based on 10% of the total number of issued shares of EkoVest as at 30 August 2023. The issue price of RM0.435 per placement share represents a discount of approximately 9.09% to the five (5)-day volume weighted average market price of EkoVest Shares up to and including 29 August 2023.

On 5 September 2023, the Company had submitted an application to Bursa Securities in respect of the listing and quotation of up to 269,582,800 placement shares to be issued pursuant to the private placement of up to 10% of the total number of issued shares of EkoVest, on the Main Market of Bursa Securities which was subsequently approved on 7 September 2023.

On 12 September 2023, private placement comprising 269,582,800 placement shares has been completed following the listing and quotation of 269,582,800 placement shares on the Main Market of Bursa Securities.

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

**B11 Corporate Exercises (cont'd)**

The status of utilisation of proceeds raised from the Proposed Private Placement as at 31 March 2024 are as follows:

<b>Purpose</b>	<b>Gross Proceeds (RM'000)</b>	<b>Actual Utilisation (RM'000)</b>	<b>Balance (RM'000)</b>	<b>Deviation (RM'000)</b>	<b>Intended timeframe for utilisation</b>
Construction project	86,000	76,933	9,067	Nil	Within 18 months
General working capital	28,469	28,469	-	Nil	Within 12 months
Estimated expenses in relation to the Proposed Private Placement	2,800	2,800	-	Nil	Within 3 months
	117,269	108,202	9,067		

**(B) Reorganisation, Rationalisation And Merger Proposal**

The Company had on 27 September 2023 received a letter dated 27 September 2023 from Tan Sri Dato' Lim Kang Hoo ("Letter") in his personal capacity as a major shareholder of EkoVest, Knusford Berhad ("Knusford"), Iskandar Waterfront Holdings Sdn Bhd and Iskandar Waterfront City Berhad. TSDLKH proposed to undertake a reorganisation, rationalisation and merger proposal involving these companies for the consideration of the respective Board of Directors. The request Letter stated various proposals involving, among others, The Company.

**(i) Proposed Knusford-EkoVest Construction Sdn Bhd ("ECSB") Merger**

The Board of Directors of EkoVest ("Board") announced that the Company had on 27 October 2023 entered into a binding heads of merger agreement ("Heads of Merger Agreement") with Knusford to exclusively explore and negotiate further on the Proposed Knusford-ECSB Merger via the proposed disposal by EkoVest of its entire equity interest in its subsidiary, ECSB to Knusford for an indicative disposal consideration of RM450 million ("Disposal Consideration"), which was arrived at on a willing-buyer, willing-seller basis, after taking into account the audited net assets of ECSB as at 30 June 2023.

The Disposal Consideration shall be satisfied by Knusford on an agreed completion date of the Proposed Knusford-ECSB Merger via the allotment and issuance of such number of new ordinary shares in Knusford to EkoVest at an indicative issue price of RM0.60 per Knusford Shares. A detailed announcement on the Proposed Knusford-ECSB Merger in accordance with Chapter 10



**Ekovest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B11 Corporate Exercises (cont'd)**

of the Main Market Listing Requirements of Bursa Securities will be made upon execution of the definitive agreement(s) within the agreed timeline stipulated in the Heads of Merger Agreement.

On 27 May 2024, the Company and Knusford have mutually agreed for an extension of 2 months commencing from 28 May 2024 to 27 July 2024, to grant more time to assess, evaluate and deliberate in detail and to discuss and negotiate on the terms of the Definitive Agreement.

**(ii) Proposed Transit-Oriented Development (“TOD”) Land Acquisition**

The Board wishes to announce that the Company had also on 27 October 2023 entered into the following:

- (a) a binding term sheet with Mohamad Nor bin Hamid and Lee Hun Yeung (collectively, the “Vendors of DCMSB”) (“TOD 2 Land Term Sheet”) to acquire two (2) parcels of freehold commercial land held under H.S.(D) 218291, PTB 19264 and H.S.(D) 218292, PTB 19265 respectively, both located at Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor, measuring approximately 269,182 square feet (approximately 6.18 acres) in aggregate, together with a six (6)-storey shopping complex known as “Danga City Mall” and an expo building erected thereon on part of the said lands (collectively, the “TOD 2 Land”) from Danga City Mall Sdn Bhd (“DCMSB”), in which the Vendors of DCMSB hold the entire equity interest in TOD 2 Land for an indicative purchase consideration of RM210.00 million (“TOD 2 Land Purchase Consideration”) (“Proposed TOD 2 Land Acquisition”); and
- (b) a binding term sheet with Cheong Meow Yen and Desa Sinarmas Sdn Bhd (collectively, the “Vendors of KMSB”) (“TOD 3 Land Term Sheet”) to acquire two (2) parcels of leasehold commercial land held under H.S.(D) 580782, Lot 1874 and H.S.(D) 580783, Lot 12242 respectively, both located at Bandar Johor Bahru, Daerah Johor Bahru, Negeri Johor, measuring approximately 419,792 square feet (approximately 9.64 acres) in aggregate (collectively, the “TOD 3 Land”) from Khazanah Melati Sdn Bhd (“KMSB”), in which the Vendors of KMSB hold the entire equity interest therein, for an indicative purchase consideration of RM100.00 million (“TOD 3 Land Purchase Consideration”) (“Proposed TOD 3 Land Acquisition”).

The parties to the respective Term Sheets (collectively, the “Parties”) agree and acknowledge that the Proposed TOD Lands Acquisition, is subject to a due diligence review and assessment by the Company of the appropriate manner of undertaking the Proposed TOD Lands Acquisition and in this respect the Company shall have the right at its discretion and election to undertake Proposed TOD Lands Acquisition by way of the acquisition of the entire issued and paid-up share capital of DCMSB and KMSB instead of via the acquisition of the respective TOD Lands (“Right to Acquire Shares”). The indicative total purchase consideration will be fully satisfied by Ekovest on an agreed completion date, entirely via the issuance and allotment of such number of new ordinary shares in Ekovest (“Ekovest Shares”) to the respective Vendors (or their nominee(s), if



**EkoVest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B11 Corporate Exercises (cont'd)**

any) DCMSB and KMSB (as the case may be) at an issue price of RM0.60 per EkoVest Share ("Issue Price") ("Consideration Shares").

On 26 April 2024, the Company has sought the mutual agreement of the parties for an extension of 3 months commencing from 28 April 2024 to 27 July 2024, to grant more time for the Company to assess, evaluate and deliberate the Proposed TOD Lands Acquisition in detail and to discuss and negotiate on the terms of the Definitive Agreements between the parties.

**(iii) Proposed Acquisition of Credence Resources Sdn Bhd ("Credence")**

The Company had also on 27 October 2023 entered into a binding heads of agreement ("HOA") with TSDLKH to exclusively explore and negotiate further on the proposed acquisition by EkoVest of up to 700,000 ordinary shares, representing up to 70% of the equity interest in Credence and 87,901,000 redeemable preference shares ("RPS") in Credence (collectively, the "Sale Shares") from TDLKH for an indicative purchase consideration of approximately RM1.15 billion ("Purchase Consideration"), which was arrived at on a willing-buyer, willing-seller basis, after taking into account the audited net assets of Credence as at 31 December 2022 ("Proposed Credence Acquisition").

The Purchase Consideration shall be satisfied by EkoVest on an agreed completion date of the Proposed Credence Acquisition via the allotment and issuance of such manner of new ordinary shares in EkoVest to TSDLKH at an indicative issue price of RM0.60 per EkoVest share. A detailed announcement on the Proposed Credence Acquisition in accordance with Chapter 10 of the Main Market Listing Requirements of Bursa Securities will be made upon execution of the definitive agreement(s) between the Company and TSDLKH within the agreed timeline stipulated in the HOA.

On 27 May 2024, the Company has sought the agreement with TSDLKH for an extension of 2 months commencing from 28 May 2024 to 27 July 2024, to grant more time for the Company to assess, evaluate and deliberate the Proposed Acquisition of Credence in detail and to discuss and negotiate on the terms of the Definitive Agreement.

The above three (3) Proposals are not intended to be conditional or inter-conditional upon each other, and will be implemented separately and independently, if deemed fit by the Board of Directors.

Other than the above, there is no corporate proposals announced but not completed as at the date of this quarterly report.



**EkoVest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B12 Other Information**

**Memorandum Of Understanding (“MOU”) Between EkoVest, Shenzhen MaoXiong Co Ltd (“Mx”) And Anxi County People’S Government (“Anxi County Office”)**

On 25 July 2023, the Company has signed a Memorandum of Understanding (“MOU”) with Shenzhen MaoXiong Co., Ltd. (MX) and Anxi County Office concerning cross border socio economic collaboration which include but not limited to conceptualization, planning, prioritizing, financing and implementation of property development, infrastructure development and fresh produce, agriculture and aquaculture distribution and processing development in both China and Malaysia (“Proposed Cross Border Socio Economic Collaboration”).

The purpose of the MOU is to achieve the common mission of EkoVest, MX, and Anxi County Office (collectively, the “Parties”) to jointly collaborate in relation to the Proposed Cross Border Socio Economic Collaboration. Parties are exploring the prospects of entering into a Joint Venture Company.

The Parties agree to explore in good faith the possibility to assess the potential for cooperation in the Proposed Cross Border Socio Economic Collaboration, including but not limited to the followings initiatives:

- (a) Conceptualization and initial planning;
- (b) Research and planning;
- (c) Mutual transfer or exchange of skills, knowledges and expertise;
- (d) Selection and prioritization of infrastructure and other projects;
- (e) Exploration and arrangement of financing options in respect of the capital and operational expenditures necessary for the development of the subject matter of the MOU whether in phases or on one-off basis; and
- (f) Implementation of the development of the subject matter of the MOU.

The Parties agree and responsible to:

- (i) carry out the MOU in the manner to be mutually agreed by the Parties;
- (ii) establish a regular consultation mechanism to implement the MOU effectively; and
- (iii) establish technical working groups to study and consult on specific issues as and when required.

The MOU is effective immediately from the date of execution of the MOU and shall remain in effect until one (1) year or any extended period to be mutually agreed between the Parties. The execution of the MOU for the Proposed Cross Border Socio Economic Collaboration is expected to benefit EkoVest group of companies’ strategic plans to recognize socio-economic benefit to both countries on the creation of a strategic development corridor between Parties.

As of the date of announcement, the project has yet to witness any significant advancements.



**Ekovest Berhad**

Registration No: 198501000052 (132493-D)  
(Incorporated in Malaysia)

**Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of  
Bursa Malaysia Securities Berhad**

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**B12 Other Information (cont'd)**

**Strategic Collaboration Agreement Between Ekovest Berhad And Universal Cosmos Co Ltd, A Subsidiary Of Zhejiang Communications Investment Group Co Ltd**

The Company had on 27 December 2023 entered into a Strategic Collaboration Agreement with Universal Cosmos Co Ltd, a wholly-owned overseas subsidiary of Zhejiang Communications Investment Group Co Ltd, a state-owned enterprise established by Zhejiang Provincial Government in People's Republic of China, to establish a broad-based multi-angle collaboration and strategic cooperation arrangement in relation to amongst others, participation in infrastructure concession asset in Malaysia, large scale of infrastructure projects, food security and trade and retailing and transit-oriented development projects, all located in Malaysia.

As of the date of announcement, the collaboration has yet to witness any significant advancements.

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