

AEON CO. (M) BHD.
(Incorporated in Malaysia)
(Company No. 198401014370 (126926-H))

**QUARTERLY REPORT FOR THE
FINANCIAL PERIOD ENDED 31 MARCH 2022**

AEON CO. (M) BHD.
(Incorporated in Malaysia)
(Company No. 198401014370 (126926 - H))

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

ANNOUNCEMENT

The Board of Directors of Aeon Co. (M) Bhd. (“Aeon” or “the Company”) presents the following unaudited condensed consolidated financial statements for the first quarter ended 31 March 2022 which should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31 March		31 March	
	2022	2021	2022	2021
	RM'm	RM'm	RM'm	RM'm
Revenue	1,001.8	1,013.5	1,001.8	1,013.5
Total operating expenses	(926.2)	(945.0)	(926.2)	(945.0)
Other operating income	7.8	4.2	7.8	4.2
Profit from operations	83.4	72.7	83.4	72.7
Interest expense				
- Lease interest	(24.6)	(26.6)	(24.6)	(26.6)
- Interest charges	(4.8)	(5.5)	(4.8)	(5.5)
	(29.4)	(32.1)	(29.4)	(32.1)
Interest income	0.8	0.1	0.8	0.1
Share of results of associates	-	1.1	-	1.1
Profit before tax	54.8	41.8	54.8	41.8
Tax expense	(26.7)	(19.8)	(26.7)	(19.8)
Profit for the period	28.1	22.0	28.1	22.0
Basic earnings per ordinary share (sen) (Note B11)	2.00	1.57	2.00	1.57

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Period	
	3 months ended		3 months ended	
	31 March		31 March	
	2022	2021	2022	2021
	RM'm	RM'm	RM'm	RM'm
Profit for the period	28.1	22.0	28.1	22.0
Other comprehensive income:				
Gain on fair value of other investments	6.9	0.8	6.9	0.8
Total comprehensive income for the period	35.0	22.8	35.0	22.8

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2022 RM'm	31 December 2021 RM'm
ASSETS		
Non-current assets		
Property, plant and equipment	3,065.2	3,108.2
Intangible assets	61.0	63.0
Right-of-use assets	1,459.9	1,501.2
Investment in associates	0.7	0.7
Other investments	70.2	63.3
Other assets	17.9	18.0
Deferred tax assets	168.3	168.3
	4,843.2	4,922.7
Current assets		
Inventories	611.6	601.2
Contract assets	14.0	14.5
Receivables, deposits and prepayments	134.8	130.8
Cash and cash equivalents	87.2	193.6
	847.6	940.1
TOTAL ASSETS	5,690.8	5,862.8

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	31 March 2022	31 December 2021
	RM'm	RM'm
EQUITY AND LIABILITIES		
Share capital	702.0	702.0
Reserves	1,075.8	1,040.7
TOTAL EQUITY	1,777.8	1,742.7
LIABILITIES		
Non-current liabilities		
Borrowings	308.3	327.8
Lease liabilities	1,852.4	1,888.9
Payables and accruals	19.6	19.6
Other liabilities	22.3	22.3
	2,202.6	2,258.6
Current liabilities		
Contract liabilities	86.0	92.5
Borrowings	236.7	400.5
Lease liabilities	168.1	176.0
Payables and accruals	1,192.6	1,165.7
Current tax liability	27.0	26.8
	1,710.4	1,861.5
TOTAL LIABILITIES	3,913.0	4,120.1
TOTAL EQUITY AND LIABILITIES	5,690.8	5,862.8

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-distributable		Distributable	Total equity RM'm
	Share capital RM'm	Fair value reserve RM'm	Retained earnings RM'm	
At 1 January 2022	702.0	62.3	978.5	1,742.8
Total comprehensive income for the period	-	6.9	28.1	35.0
At 31 March 2022	<u>702.0</u>	<u>69.2</u>	<u>1,006.6</u>	<u>1,777.8</u>
At 1 January 2021	702.0	54.7	914.3	1,671.0
Total comprehensive income for the period	-	0.8	22.0	22.8
At 31 March 2021	<u>702.0</u>	<u>55.5</u>	<u>936.3</u>	<u>1,693.8</u>

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	31 March 2022 RM'm	31 March 2021 RM'm
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	54.8	41.8
Adjustments for:		
Depreciation and amortisation	110.7	120.4
Other non-cash items	(1.8)	(0.9)
Interest expense	29.4	32.1
Interest income	(0.8)	(0.1)
Operating profit before changes in working capital	192.3	193.3
Changes in working capital	6.7	106.3
Cash generated from operations	199.0	299.6
Tax paid	(26.5)	(17.5)
Net cash generated from operating activities	172.5	282.1
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	(25.5)	(4.4)
Interest received	0.8	0.1
Net cash used in investing activities	(24.7)	(4.3)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(66.1)	(66.2)
Net borrowings	(183.3)	(253.7)
Interest paid	(4.8)	(5.5)
Net cash used in financing activities	(254.2)	(325.4)
Net change in cash and cash equivalents	(106.4)	(47.6)
Cash and cash equivalents at 1 January	193.6	71.4
Cash and cash equivalents at 31 March	87.2	23.8

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**PART A – EXPLANATORY NOTES PURSUANT TO
MALAYSIAN FINANCIAL REPORTING STANDARD 134**

1 Basis of Preparation

The unaudited quarterly report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard (“MFRS”) 134 “Interim Financial Reporting”, Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

2 Significant Accounting Policies

The accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following Amendments to Standards during the current financial period:

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*, Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*, Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*, Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*, Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract* and Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

Malaysian Accounting Standards Board had issued the following amendments and new standards which are effective for the following financial years:

(i) Financial year beginning on or after 1 January 2023:

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

(ii) Effective date yet to be confirmed:

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned accounting standards, interpretation and amendments in the respective financial years when the above accounting standards, interpretation and amendments become effective where applicable.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**PART A – EXPLANATORY NOTES PURSUANT TO
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

3 Seasonal/Cyclical Factors

The operations of the Company typically experience higher customer count, transaction value and sales during weekends, public holidays, school holidays and festive seasons.

4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no items affecting the assets, liability, equity, net income or cash flows that were unusual because of their nature, size or incidence for the financial period ended 31 March 2022.

5 Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the financial period ended 31 March 2022.

6 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period ended 31 March 2022, other than as disclosed in this quarterly report.

7 Dividends Paid

There was no dividend paid for the financial period ended 31 March 2022.

8 Events Subsequent to the end of reporting period

There were no material events subsequent to the balance sheet date to be disclosed in the financial statements for the financial period ended 31 March 2022.

9 Effects of Changes in the Composition of the Company

There were no changes in the composition of the Company for the financial period ended 31 March 2022.

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**PART A – EXPLANATORY NOTES PURSUANT TO
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

10 Operating Segments

The operating segments analysis is as follows:

	Retailing		Property Management Services		Total	
	3 months ended		3 months ended		12 months ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm
Revenue	857.4	879.0	144.4	134.5	1,001.8	1,013.5
Segmental profit	61.0	50.6	54.8	40.4	115.8	91.0
Less: Unallocated expenses					(32.4)	(18.3)
Profit from operations					83.4	72.7
Interest expense						
- Lease interest					(24.6)	(26.6)
- Interest charges					(4.8)	(5.5)
Interest income					0.8	0.1
Share of results of associates					-	1.1
Profit before tax					54.8	41.8
Tax expense					(26.7)	(19.8)
Profit for the period					28.1	22.0

11 Revenue

	3 months ended	
	31 March 2022 RM'm	31 March 2021 RM'm
Sale of goods	742.0	782.9
Net commission from concessionaire sales	104.4	82.5
Property management services	144.4	134.5
Others	11.0	13.6
	1,001.8	1,013.5

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**PART A – EXPLANATORY NOTES PURSUANT TO
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

12 Related Party Transactions

During the current quarter under review and up to the date of this announcement, the Company did not enter into any Related Party Transactions or Recurrent Related Party Transactions of a revenue or trading nature that had not been included or exceeded the estimated value by 10% or more of the total aggregate amount which had been mandated by the shareholders during the Annual General Meeting held on 23 June 2021.

13 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements for the financial year ended 31 December 2021.

14 Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2022 are as follows:

	31 March 2022 RM'm	31 December 2021 RM'm
Property, plant and equipment		
Contracted but not provided for and not payable	20.4	38.7

15 Fair value measurements

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

**PART A – EXPLANATORY NOTES PURSUANT TO
MALAYSIAN FINANCIAL REPORTING STANDARD 134 (continued)**

15 Fair value measurements (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Carrying amount RM'm
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	
31 March 2022							
Financial Asset							
Investment in quoted equities	70.2	-	-	-	-	-	70.2
Financial Liabilities							
Borrowings	-	-	-	-	-	(540.4)	(545.0)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Carrying amount RM'm
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	
31 December 2021							
Financial Asset							
Investment in quoted equities	63.3	-	-	-	-	-	63.3
Financial Liabilities							
Borrowings	-	-	-	-	-	(723.5)	(728.3)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

1 Review of Performance

- a. Performance of the current quarter (First Quarter FY22) against the corresponding quarter (First Quarter FY21)

	Quarter Ended 31 Mar 2022 RM'm	Quarter Ended 31 Mar 2021 RM'm	Changes %
Revenue by segment:			
Retail business	857.4	879.0	(2.5%)
Property management services	144.4	134.5	7.4%
Total Revenue	1,001.8	1,013.5	(1.2%)
Profit from operations	83.4	72.7	14.7%
Profit before tax	54.8	41.8	31.1%

For the quarter under review, the Company registered a total revenue of RM1,001.8 million, 1.2% slightly lower as compared to corresponding quarter of RM1,013.5 million.

Retail business recorded revenue at RM857.4 million, is 2.5% lower compared to corresponding quarter of RM879.0 million. The decline in revenue is mainly due to more consumers spend more time outdoor and dine-out instead of cooking at home, but cushioned by improvement in softline.

Revenue from the property management services segment at RM144.4 million, is 7.4% higher compared to corresponding quarter of RM134.5 million. The growth was contributed by higher sales commission and temporary space rental received in line with consumers' sentiment in returning to physical malls.

The Company registered a profit before tax of RM54.8 million for the quarter under review compared to corresponding quarter of RM41.8 million, which recorded 31.1% growth contributed by improved retail margin and higher impairment of trade receivables in corresponding quarter.

- b. Performance of the current quarter (First Quarter FY22) against the preceding quarter (Fourth Quarter FY21)

	Current Quarter 31 Mar 2022 RM'm	Immediate Preceding Quarter 31 Dec 2021 RM'm	Changes %
Revenue by segment:			
Retail business	857.4	854.3	0.4%
Property management services	144.4	137.8	4.7%
Total Revenue	1,001.8	992.1	1.0%
Profit from operations	83.4	128.7	(35.2%)
Profit before tax	54.8	94.6	(42.1%)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

1 Review of Performance (continued)

- b. Performance of the current quarter (First Quarter FY22) against the preceding quarter (Fourth Quarter FY21) (continued)

For the quarter under review, the Company registered a total revenue of RM1,001.8 million, 1.0% higher compared to preceding quarter of RM992.1 million.

Retail business recorded revenue at RM857.4 million, is higher by 0.4% compared to preceding quarter of RM854.3 million. The growth was contributed by higher consumer spending following festive season during the quarter.

Revenue from the property management services segment at RM144.4 million, is higher by 4.7% compared to preceding quarter of RM137.8 million. The growth in revenue was supported by the higher sales commission, temporary space rental and rental income from tenants following consumers' sentiment in returning to physical malls.

The Company's profit before tax for the current quarter of RM54.8 million was lower by 42.1% compared to preceding quarter of RM94.6 million, mainly due to seasonal year end annual rebate recognition in preceding quarter.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

2 Prospects for the Financial Year Ending 31 December 2022 (FY2022)

As the nation transition to endemic phase of COVID-19, borders reopen and activities amongst the communities increases, consumers spending nationwide is expected to further improve. Separately, the continued global supply chain challenges as a consequence of managing COVID-19 outbreaks especially in China as well as the ongoing Ukraine and Russia conflict, may have potential impact to revenue and cost of business. To ensure sustainable operations and business performances, the Company will continue to be proactive in crafting the strategies in order to capture consumers spending and to minimise the supply chain risk.

To capture the consumers spending in coming months, the Company will accelerate and evolve its digital shift especially to grow adoption of myaeon2go amongst its consumers, create Aeon Living Zone to integrate both online and offline shopping engagement experiences, advance the offering related to health and wellness, as well as to deepen its customer engagement and experience via its Aeon loyalty program and iAeon app.

The Company will also continue to leverage its ecosystem especially in partnering and collaborating with its tenant partners, suppliers and AEON group of companies to unlock further the value from customer demand, customer experience and to mitigate the supply chain risk.

3 Profit Forecast/Profit Guarantee

Not applicable as the Company did not publish any profit forecast or profit guarantee.

4 Tax expense

Tax expense comprises:

	3 months ended	
	31 March 2022 RM'm	31 March 2021 RM'm
Current tax expense	26.7	19.9
Deferred tax expense	-	(0.1)
	26.7	19.8

The Company's effective tax rate is higher than the statutory tax rate mainly due to expenses not deductible for tax purposes.

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QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

5 Notes to the Statement of Comprehensive Income

	3 months ended	
	31 March 2022 RM'm	31 March 2021 RM'm
Profit before tax is arrived at after charging/(crediting):		
Depreciation and amortisation	70.2	78.2
Depreciation of right of use assets	40.5	42.2
Interest expense		
- lease interest	24.6	26.6
- interest charges	4.8	5.5
(Reversal of impairment)/Impairment		
loss on trade receivables	(1.7)	7.7
Fixed assets written off	0.3	0.2
Interest income	(0.8)	(0.1)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

6 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this report.

7 Borrowings and Debt Securities

	As at 31 March 2022		
	Long term RM denomination (RM'm)	Short term RM denomination (RM'm)	Total borrowings RM denomination (RM'm)
Unsecured			
Term loan	108.3	66.7	175.0
Islamic Medium-Term Notes/ Commercial Papers	200.0	170.0	370.0
	308.3	236.7	545.0

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

7 Borrowings and Debt Securities (continued)

	As at 31 March 2021		
	Long term RM denomination (RM'm)	Short term RM denomination (RM'm)	Total borrowings RM denomination (RM'm)
Unsecured			
Term loan	-	153.8	153.8
Revolving credit facilities	-	56.0	56.0
Islamic Medium-Term Notes/ Commercial Papers	-	470.0	470.0
	-	679.8	679.8

- (i) The term loans are unsecured, bear interest ranging from 2.99% to 3.03% (2021: 2.97% to 4.39%) per annum and are repayable on quarterly basis up to 29 July 2024.
- (ii) There is no unsecured revolving credit outstanding as at 31 March 2022 (2021: 2.20% per annum).
- (iii) The unsecured Islamic Commercial Papers and Islamic Medium-Term Note bear interest rate of 3.09% to 3.15% (2021: 2.08% to 3.15%) per annum.

8 Changes in Material Litigation

On 2 March 2021, the Company received a legal suit from Betanaz Properties Sdn. Bhd. (“Plaintiff”). The Plaintiff alleged that the Company did not comply with its obligations under the Tenancy Agreement dated 24 August 2017 (“Tenancy Agreement”) to fulfill the conditions precedent under the Tenancy Agreement and had wrongfully terminated the Tenancy Agreement. The Plaintiff is seeking for, among others, the following reliefs:

- (i) Rental payment payable to the Plaintiff for the tenancy period between 1 April 2020 to 17 December 2021 and for the initial term of ten (10) years of the lease amounting to a total sum of RM59,302,302.97; or
- (ii) Expenditure incurred by the Plaintiff for the project, including but not limited to site clearance and earthworks, consultancy fees, financing costs and other incidental costs arising from the banking facilities and others costs amounting to RM18,936,207.76.

On 29 March 2021, the Company filed and served its defense against the Plaintiff. Further, the Company, as the plaintiff, filed a counterclaim against Betanaz Properties Sdn. Bhd. as the first defendant, and Ahmad Zaki Resources Berhad (“AZRB”) as the second defendant due to the non-fulfillment of the conditions precedent on the part of the defendants prior to the expiry of the respective conditional periods and the Tenancy Agreement and Commercial Agreement dated 24 August 2017 had been rendered void due to the expiry of the conditional periods on 23 October 2020 and 23 January 2020 respectively.

The Company is claiming, among others, the return or payment of approximately RM2,303,087.00 being the consultation fees for the project from the Plaintiff as first defendant and approximately RM28,415,094.44 being the contribution towards the construction of the bridge connecting Bandar Kuantan to Bandar Putra, Tanjung Lumpur, Pahang (“Bridge”), from AZRB as the second defendant.

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2022

PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS (continued)

8 Changes in Material Litigation (continued)

AZRB further filed the application to strike out the Company’s counterclaim against AZRB on 7 May 2021 and on 22 October 2021, the High Court allowed AZRB’s application to strike out the Company’s counterclaim against AZRB on the basis that the bridge across the Kuantan River, connecting Bandar Kuantan to Bandar Putra, Tanjung Lumpur (“Bridge”) was completed and the Company’s counterclaim is not sustainable.

On 26 October 2021, the Company filed and served the Notice of Appeal against the decision of the High Court judge and the hearing date is fixed on 9 May 2022.

Pursuant to the Company’s appeal against the High Court’s decision to allow AZRB’s application to strike out the Company’s counterclaim against AZRB on 9 May 2022, the Court of Appeal has decided in favor of the Company, and as a result, AZRB will be reinstated as a party to the Company’s counterclaim as the second defendant in the trial for the Main Suit, which is fixed on 20 to 21 May 2024 and 13 to 14 June 2024, respectively.

Based on the advice by the Company’s legal counsel, the Directors are of the view that the abovementioned general damages sought by the Plaintiff are contradictory to the Rules of Court as the same should not have been quantified as if it were special damages. Hence, provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

9 Dividend

No dividend was proposed or declared for the financial period ended 31 March 2022.

10 Qualification of Audit Report of the Preceding Annual Financial Statements

There was no qualification on audit report of the preceding annual financial statements.

11 Earnings Per Share

	3 months ended	
	31 March 2022	31 March 2021
Profit attributable to the owners for the period (RM’m)	28.1	22.0
Weighted average number of ordinary shares in issue (’m)	1,404.0	1,404.0
Basic earnings per ordinary share (sen)	2.00	1.57

Diluted earnings per share is not applicable for the Company.