



**ECONPILE HOLDINGS BERHAD**  
(Registration No. 201201032676)(1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 31 DECEMBER 2024**  
(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.12.2024 RM'000	Preceding Year Corresponding Quarter 31.12.2023 RM'000	Current Year Period 31.12.2024 RM'000	Preceding Year Corresponding Period 31.12.2023 RM'000
Revenue		69,061	110,346	149,131	230,941
Cost of sales		(59,716)	(113,286)	(135,007)	(231,332)
<b>Gross Profit/(Loss)</b>		<u>9,345</u>	<u>(2,940)</u>	<u>14,124</u>	<u>(391)</u>
Other income		141	1,247	1,094	1,493
Administrative expenses		(5,903)	(5,476)	(9,999)	(9,435)
<b>Results from operating activities</b>		<u>3,583</u>	<u>(7,169)</u>	<u>5,219</u>	<u>(8,333)</u>
Foreign exchange (loss)/gain		(1,890)	(810)	(2,023)	(370)
Finance income		388	272	936	568
Finance costs		(1,698)	(1,572)	(3,507)	(3,009)
<b>Profit/(Loss) before tax</b>	B5	<u>383</u>	<u>(9,279)</u>	<u>625</u>	<u>(11,144)</u>
Tax expense	B6	(263)	(839)	(315)	(2,167)
<b>Profit/(Loss) for the period</b>		<u>120</u>	<u>(10,118)</u>	<u>310</u>	<u>(13,311)</u>
<b>Other comprehensive income/(expense), net of tax</b>					
<b>Item that is or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operation		<u>1,892</u>	<u>(504)</u>	<u>(1,415)</u>	<u>(329)</u>
<b>Profit/(Loss) and total comprehensive income/(expense) for the period</b>		<u><u>2,012</u></u>	<u><u>(10,622)</u></u>	<u><u>(1,105)</u></u>	<u><u>(13,640)</u></u>
<b>Basic Earning/(Loss) per ordinary share</b>					
- Basic	B13	<u><u>0.01</u></u>	<u><u>(0.71)</u></u>	<u><u>0.02</u></u>	<u><u>(0.94)</u></u>

Notes:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2024 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**  
 (Registration No. 201201032676)(1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**  
 (The figures have not been audited)

		(Unaudited) As At 31.12.2024 RM'000	(Audited) As At 30.06.24 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		22,817	24,802
Right-of-use assets		852	1,495
Investment properties		20,313	18,668
Deferred tax assets		3,374	3,374
		<u>47,356</u>	<u>48,339</u>
<b>Current assets</b>			
Other investments		1,079	1,069
Asset classified as held for sale		545	545
Trade and other receivables	B9	363,133	402,540
Contract assests		129,602	104,694
Prepayments		1,640	6,550
Current tax assets		22,283	20,504
Cash and cash equivalents		63,530	77,295
		<u>581,812</u>	<u>613,197</u>
<b>TOTAL ASSETS</b>		<u>629,168</u>	<u>661,536</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		177,206	177,206
Reserves		182,869	183,974
<b>Equity attributable to equity holders of the Company</b>		<u>360,075</u>	<u>361,180</u>
<b>Non-current liabilities</b>			
Loans and borrowings	B8	12,938	17,378
Lease liabilities		682	682
Employees benefits		6,447	6,447
<b>Total non-current liabilities</b>		<u>20,067</u>	<u>24,507</u>
<b>Current liabilities</b>			
Loans and borrowings	B8	113,296	126,329
Lease liabilities		210	853
Trade and other payables		118,881	130,975
Contract liabilities		13,253	12,314
Current tax liabilities		353	2,345
Provisions		3,033	3,033
<b>Total current liabilities</b>		<u>249,026</u>	<u>275,849</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>629,168</u>	<u>661,536</u>
Net assets per share (RM)		<u>0.25</u>	<u>0.25</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2024 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**  
 (Registration No. 201201032676)(1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SECOND QUARTER ENDED 31 DECEMBER 2024**  
 (The figures have not been audited)

	/----- Non-distributable -----/			Distributable	
	Share capital	Deficit in business combination	Translation reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>(Unaudited)</b>					
At 1 July 2023	177,206	(87,000)	150	284,464	374,820
Loss for the period	-	-	-	(13,311)	(13,311)
Foreign currency translation differences for foreign operation	-	-	(329)	-	(329)
Loss and total comprehensive expenses for the period	-	-	(329)	(13,311)	(13,640)
At 31 December 2023	177,206	(87,000)	(179)	271,153	361,180
<b>(Unaudited)</b>					
At 1 July 2024	177,206	(87,000)	(179)	271,153	361,180
Profit for the period	-	-	-	310	310
Foreign currency translation differences for foreign operation	-	-	(1,415)	-	(1,415)
Loss and total comprehensive expenses for the period	-	-	(1,415)	310	(1,105)
At 31 December 2024	177,206	(87,000)	(1,594)	271,463	360,075

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2024 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**  
(Registration No. 201201032676)(1017164-M)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 31 DECEMBER 2024**  
(The figures have not been audited)

	<b>Current Financial Period 31.12.2024 RM'000</b>	<b>Preceding Year Corresponding Period 31.12.2023 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	625	(11,144)
Depreciation of investment properties	36	30
Depreciation of property, plant and equipment	2,052	1,793
Depreciation of right-of-use assets	513	542
Fair value gain from other investments	-	(9)
Finance costs	3,507	3,009
Finance income	(936)	(568)
Gain on disposal of property, plant and equipment	(76)	-
Gain on disposal of other investments	-	(1,027)
(Gain)/Loss on unrealised foreign exchange	(78)	359
Change in fair value of other investment	(10)	(4)
Reversal of impairment loss on financial instruments	-	(242)
Operating profit/(loss) before working capital changes	5,633	(7,261)
Change in trade and other receivables and prepayments	47,074	(34,599)
Change in trade and other payables	(14,852)	25,192
Change in contract assets	(24,908)	25,845
Change in contract liabilities	939	(3,331)
Change in provision	1,447	637
Cash generated from operations	15,333	6,483
Interest paid	(2,705)	(28)
Tax paid	(5,422)	(2,599)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>7,206</b>	<b>3,856</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(78)	(8,947)
Acquisition of investment properties	(1,682)	(143)
Interest received from fixed deposit	946	569
Proceeds from disposal of property, plant and equipment	87	1,027
Proceeds from disposal of other investments	-	77
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(727)</b>	<b>(7,417)</b>
<b>CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES</b>		
Change in pledged deposits	(105)	(57)
(Repayment)/Drawdown of loans and borrowings	(17,472)	21,607
Interest paid on loans and borrowings	(832)	(2,197)
Payment of lease liabilities	(289)	(553)
<b>NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>	<b>(18,698)</b>	<b>18,800</b>
Net (decrease)/increase in cash and cash equivalents	(12,219)	15,239
Cash and cash equivalents at beginning of the financial period	72,982	40,919
Effect of exchange rate fluctuations on cash held	(1,652)	19
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>59,111</b>	<b>56,177</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 31 DECEMBER 2024**  
**(The figures have not been audited)**

	<b>Current Financial Period 31.12.2024 RM'000</b>	<b>Preceding Year Corresponding Period 31.12.2023 RM'000</b>
<b>Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:-</b>		
Cash and bank balances	55,815	43,652
Deposit placed with licensed banks	7,715	16,839
	<u>63,530</u>	<u>60,491</u>
Less: Deposits pledged to licensed banks	(4,419)	(4,314)
	<u>59,111</u>	<u>56,177</u>

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 30 June 2024 and the accompanying explanatory notes as attached to this interim financial report.



**ECONPILE HOLDINGS BERHAD**  
(Registration No. 201201032676)(1017164-M)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - SECOND QUARTER ENDED 31 DECEMBER 2024**

**A1. Basis of preparation**

The condensed consolidated interim financial statements of the Econpile Holdings Berhad ("EHB" or Company") and its subsidiaries ("Group") are unaudited and have been prepared in accordance with the requirements of Paragraph 9.22 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting. This unaudited interim financial report should be read in conjunction with the Group's most recent audited financial statements for the financial year ended 30 June 2024.

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2024 except for the following new/revised MFRSs and amendments to MFRSs:-

		Effective for annual periods beginning on or after
Amendment to MFRS 16	Leases – Lease Liability in a Sale and Leaseback	1 January 2024
Amendment to MFRS 101	Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107	Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024

The adoption of the amendments did not have any impact on the Group.

**A2. Significant Accounting Policies**

At the date of authorisation of these interim financial statements, the following MFRSs and amendments to MFRSs were issued but not yet effective :-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
Amendments to MFRS 9	Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1	Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
Amendments to MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 9	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10	Amendments to MFRS 10, Consolidated Financial Statements	1 January 2026
Amendments to MFRS 107	Amendments to MFRS 107, Statement of Cash Flows	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
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	Yet to be determined

The initial application of the applicable accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - SECOND QUARTER ENDED 31 DECEMBER 2024**

**A3. Auditors' Report**

The reports of the auditors to the members of EHB and its subsidiary companies on the financial statements for the financial year ended 30 June 2024 were not subject to any qualification and did not include any adverse comments made under subsection (3) of Section 266 of the Companies Act 2016.

**A4. Seasonality or Cyclicity of Interim Operations**

The Group's results are not materially affected by any seasonal or cyclical factors.

**A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual in nature, size or incidence during the current quarter, save for those disclosed in notes B1 and B2 herein.

**A6. Material Effect of Changes in Estimates of Amounts Reported in Prior Interim Periods or Prior Financial Years**

There were no changes in estimates of amounts reported in prior interim periods or prior financial years that have a material effect on results for the current quarter under review.

**A7. Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter under review.

**A8. Dividends Paid**

No dividend was paid in the current period ended 31 December 2024.

**A9. Segmental Reporting**

The Group is predominantly involved in general construction and piling works, which is the only reportable segment. Other non-reportable segments comprise investment holding and operations related to rental of investment properties and machinery and related accessories.

**A10. Significant Post Balance**

There were no material events as at 19 February 2025, being the date not earlier than 7 days from the date of this announcement, that will affect the financial results of the current financial quarter under review.

**A11. Changes in Composition of the Group**

There were no material changes in the composition of the Group including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations during the current quarter.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - SECOND QUARTER ENDED 31 DECEMBER 2024**

**A12. Contingent Liabilities and Contingent Assets**

There were no material changes in contingent liabilities and contingent assets since the last audited financial statements for the financial year ended 30 June 2024 to 19 February 2025, being a date not earlier than 7 days from the date of this announcement, save for the following:-

	<b>As at 19.02.2025 RM'000</b>	<b>As at 30.06.2024 RM'000</b>
Contingent Liabilities (Unsecured)		
Group		
- Guarantees given to contract customers in relation to construction contracts	<u>56,251</u>	<u>55,674</u>

**A13. Capital Commitments**

	<b>As at 31.12.2024 RM'000</b>	<b>As at 30.06.2024 RM'000</b>
Capital expenditure		
Authorised and contracted for	<u>10,451</u>	<u>10,516</u>

**A14. Significant Related Party Transactions**

There were no significant related party transactions for the current quarter ended 31 December 2024.



**PART B : EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of the Performance of the Group**

	3 Months ended		Changes		Cumulative Period		RM'000 / %	
	31.12.2024 RM'000	31.12.2023 RM'000	RM'000 / %		31.12.2024 RM'000	31.12.2023 RM'000		
Revenue	69,061	110,346	(41,285)	-37.4%	149,131	230,941	(81,810)	-35.4%
Gross Profit/ (Loss)	9,345	(2,940)	12,285	417.9%	14,124	(391)	14,515	3712%
Profit/ (Loss) before tax	383	(9,279)	9,662	104.1%	625	(11,144)	11,769	105.6%
Profit/ (Loss) for the period	120	(10,118)	10,238	101.2%	310	(13,311)	13,621	102.3%

**Group's Financial Performance**

The Group recorded a revenue of RM69.1 million for the financial quarter ended 31 December 2024 which is 37% lower as compared to RM110.3 million in the preceding year corresponding quarter in line with the reduced project activities, mainly due to completion of several large projects.

Despite the lower revenue, the Group recorded a gross profit of RM9.3million for the current quarter compared to a gross loss of RM2.9 million in the preceding year corresponding quarter. The improvement was driven by higher gross profit contribution from on-going projects during the current financial quarter and successful remeasurements and variation orders claims from a previously completed project. In addition, the preceding year quarter was affected by cost overrun in several projects.

The higher Gross Profit enabled the Group to achieve a marginal profit for the quarter of RM0.1 million, an improvement from the Loss of RM10.1 million in the corresponding quarter in the preceding year.

**Project Updates and Order**

As at 31 December 2024, there are 15 on-going projects at various stages of completion and order book stood at approximately RM421 million. Concentration of credit risk with respect of trade receivables is limited except for three (3) customers which accounted for 39.3% (including retention sum) of trade receivables as at 31 December 2024.

**B2. Comparison with Preceding Quarter's Results**

	3 Months ended		Changes	
	31.12.2024 RM'000	30.09.2024 RM'000	RM'000 / %	
Revenue	69,061	80,070	(11,009)	-13.7%
Gross Profit/ (Loss)	9,345	4,779	4,566	95.5%
Profit/ (Loss) before tax	383	242	141	58.3%
Profit/ (Loss) for the period	120	190	(70)	-36.8%

In the current quarter, the Group recorded a 14% lower Revenue at RM69.1 million compared to the preceding quarter of RM80.1 million as the new projects have not reach peak productivity stages.

Despite the lower Revenue, the Gross Profit is higher at RM9.3 million compared to RM4.8 million in the preceding quarter as there were claims which the Group successfully secured from remeasurements and variation orders from a previously completed project.

Compared to the preceding quarter, there were higher Foreign Exchange Loss arising from the US Dollars remitted from our overseas operation and higher Administrative Expenses due mainly to the staff annual bonus declared. These resulted in a marginal Profit for the current quarter of RM0.12 million, slightly lower than preceding quarter of RM0.19 million.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - SECOND QUARTER ENDED 31 DECEMBER 2024**

**B3. Prospects**

The global economy for 2025 is expected to be relatively stable subject to risk mainly from heightened geopolitical conflicts including uncertainties in US tariff policies and global trade dynamics.

Malaysian economy is expected to maintain a steady growth in 2025 driven by robust expansion in investment activity, strong exports and resilient household spending. RAM rating estimates the Malaysian GDP to grow at between 4.0% to 5.0% in 2025. In the Construction sector, Johor and Penang are experiencing growth, fueled by major infra projects, industrial investments and economic corridor development.

Overall, the Group is cautiously bullish based on the positive outlook for the next 12 months and will continue to carefully explore opportunities to add to our order book while closely monitoring the prices of construction materials in view of the potential petrol subsidy removal.

The Group has outstanding construction order book as at 31 December 2024 of approximately RM421 million which will support its operations for the Financial Year ending 30 June 2025.

**B4. Profit Forecast or Profit Guarantee**

Not applicable as there was no profit forecast or profit guarantee issued.

**B5. Profit/(Loss) before tax**

Profit/(Loss) for the current period ended 31 December 2024 is stated after charging/(crediting):-

	<b>Current Period ended</b>	<b>Preceding Year</b>
	<b>31.12.2024</b>	<b>Corresponding Period</b>
	<b>RM'000</b>	<b>31.12.2023</b>
		<b>RM'000</b>
Depreciation of investment properties	36	30
Depreciation of property, plant and equipment	2,052	1,793
Depreciation of right-of-use	513	542
Fair value gain from other investments	(10)	(4)
Finance income	(936)	(568)
Finance costs	3,507	3,009
Gain on disposal of property, plant and equipment	(76)	-
Net loss/(gain) on unrealised foreign exchange	(78)	359
Reversal of impairment loss on financial instruments	-	(242)
	<u>-</u>	<u>(242)</u>

**B6. Tax Expense**

	<b>Current Period ended</b>	<b>Preceding Year</b>
	<b>31.12.2024</b>	<b>Corresponding Period</b>
	<b>RM'000</b>	<b>31.12.2023</b>
		<b>RM'000</b>
Current tax:-		
- Current year	311	1,212
- Underprovision in the previous financial year	-	60
Withholding tax	4	895
	<u>315</u>	<u>2,167</u>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS - SECOND QUARTER ENDED 31 DECEMBER 2024**

**B7. Status of Corporate Proposal**

There were no pending corporate proposals up to 19 February 2025, being the date not earlier than 7 days from the date of this announcement.

**B8. Group Borrowings and Debt Securities**

The Group's borrowings as at 31 December 2024 are as follows:-

	Current RM'000	Non-Current RM'000	Total RM'000
<i>Secured</i>			
Revolving credit	53,000	-	53,000
Bank loans	7,381	7,878	15,259
	<u>60,381</u>	<u>7,878</u>	<u>68,259</u>
<i>Unsecured</i>			
Hire purchase liabilities	1,569	5,060	6,629
Bankers' acceptances	51,346	-	51,346
	<u>52,915</u>	<u>5,060</u>	<u>57,975</u>
	<u>113,296</u>	<u>12,938</u>	<u>126,234</u>

All borrowings of the Group are denominated in Ringgit Malaysia.

**B9. Ageing Analysis of Trade Receivables**

	As at 31.12.2024 RM'000	As at 30.06.2024 RM'000
Not past due	131,244	138,871
Past due 1 - 60 days	8,272	27,378
Past due 61 to 120 days	21,254	16,238
Past due more than 120 days	191,313	215,960
	<u>220,839</u>	<u>259,576</u>
Total Trade Receivables	352,083	398,447
Less: Impairment losses	(11,323)	(11,323)
Net Trade Receivables	340,760	387,124
Other receivables and deposits	22,373	15,416
	<u>363,133</u>	<u>402,540</u>

**B10. Financial Instruments**

Save for below, there were no financial instruments with off balance sheet risks as at 19 February 2025, being a date not earlier than 7 days from the date of this announcement.

	As at 19.02.2025 RM'000	As at 30.06.2024 RM'000
Company		
- Financial guarantees given to suppliers and banks for facilities	<u>139,778</u>	<u>133,312</u>

**B11. Material Litigation**

- a. The legal actions initiated against ASM Development (KL) Sdn. Bhd. (“ASMKL”) for the recovery of the value of work performed include the adjudication proceedings pursuant to Construction Industry Payment and Adjudication Act (“CIPAA”) 2012 and arbitration proceeding at the Asian International Arbitration Centre (“AIAC”).

Econpile (M) Sdn Bhd (“EMSB”) has obtained 2 Adjudication Decisions in its favour and has thereafter successfully enforced the 2 Adjudication Decisions as Orders/Judgments of High Court in 2019 and in 2020, respectively (“HC Decisions”). ASMKL has then appealed against the HC Decisions. The Federal Court had on 3 October 2023 upheld and/or affirmed the HC Decisions.

As no payment was forthcoming from ASMKL, EMSB obtained a Writ of Seizure and Sale proceedings (“WSS”) and a prohibitory orders (“PO”) against a piece of land owned by ASMKL (“Land”), for the purposes of selling the Land by way of a public auction. The first and second public auction of the Land took place on 6 December 2023 and on 24 July 2024. (“Public Auctions”). However, there was no bidder.

On 13 May 2024, a creditor of ASMKL filed a Winding up Petition against SMKL. On 17 October 2024, another creditor of ASMKL filed a Winding Up Petition against ASMKL. EMSB applied for Judicial Management (“JM”) pursuant to Section 404 and 405 of the Companies Act 2016 on 9 December 2024. The case management date for the JM is fixed on 20 March 2025. During the making of the application for a JM order, no legal process can be commenced or continued against ASMKL without leave of court.

- b. An external party issued a letter of demand against the developer, the main contractor and EMSB (as sub-contractor) for loss and damages amounting to RM4.08 million due to the ongoing construction work at the project site which is adjacent to the tuition centre operated by the external party. In April 2022, the external party filed an application to amend the Writ of Summons and Statement of Claim to delete sum claimed of RM4.08 million and amend it to ‘damages to be assessed by the honourable Court’ which was allowed by the Court. The external party had filed an application to amend the Amended Statement of Claim (Encl.107) on 30 June 2024 which was subsequently dismissed by the Court on 23 July 2024. On 24 July 2024, the external party filed in the appeal in the Court of Appeal appealing the decision of Encl.107. The case is fixed on 25 June 2025 for the case management. In the Directors’ opinion, as the case is still in the initial stage, the Group is unable to estimate and determine the potential outcome of the case at this juncture and will continue to monitor the case closely.
- c. In December 2016, Gabungan Strategik Sdn Bhd (GSSB) had awarded to China Communication Construction Company (M) Sdn Bhd (“CCCC”) and EMSB the Sub-Contract for the foundation and substructure works for Sungai Besi-Ulu Kelang Elevated Expressway Package CA3 (“the Sub-Contract”). A joint venture agreement was entered into by CCCC and EMSB defining each party’s roles and responsibilities for the purpose of undertaking the works for the Sub-Contract. On 7 January 2022, CCCC has issued a Notice of Termination to GSSB for GSSB’s breach and refusal to perform their obligations under the Sub-Contract resulting in CCCC terminating the sub-contract work. The parties have filed 2 arbitration proceedings:

(i) First Arbitration

GSSB issued a Notice of Arbitration on 22 December 2023 against CCCC and EMSB for damages of RM89.74 million for alleged wrongful termination of the Sub-Contract. The Arbitral Tribunal has issued the Procedural Order No. 1 on 27 June 2024. The hearing for the arbitration is fixed from September 2025 to December 2025.

(ii) Second Arbitration

CCCC-EPSB issued a Notice of Arbitration on 29th April 2024, claiming RM147.08 million for work done and losses. CCCC-EPSB subsequently agreed and decided to withdraw this arbitration proceeding with liberty to file afresh and without prejudice. The AIAC confirmed on 6th November 2024 that the arbitration has been withdrawn without prejudice, with liberty to file afresh

**B12. Dividend**

No dividend was declared for the quarter ended 31 December 2024.

**B13. Basic Earning/(Loss) Per Ordinary Share**

The calculation of basic earning/(loss) per ordinary share was based on the profit/(loss) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:-

	<b>Current Quarter ended 31.12.2024</b>	<b>Preceding Year Quarter ended 31.12.2023</b>
Profit/(Loss) attributable to ordinary shareholders of the Company for the financial year (RM'000)	<u>310</u>	<u>(13,311)</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,417,500</u>	<u>1,417,500</u>
Basic earning/(loss) per ordinary share (sen)	<u>0.02</u>	<u>(0.94)</u>

**B14 Authorised for issue**

The interim financial report was authorised for issue by the Board of Directors.