

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	Individual quarter ended		Cumulative quarter ended	
	30/9/18	(Restated) 30/9/17	30/9/18	(Restated) 30/9/17
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	21,805	31,232	63,786	68,602
Cost of sales	(21,058)	(23,716)	(53,929)	(51,473)
Gross profit	<u>747</u>	<u>7,516</u>	<u>9,857</u>	<u>17,129</u>
Other income	3,436	2,498	6,535	4,053
Employee benefits expense	(6,092)	(5,866)	(11,838)	(11,009)
Depreciation and amortisation	(466)	(508)	(935)	(991)
Other expenses	(4,230)	(5,807)	(8,937)	(10,637)
Profit/(loss) from operations	<u>(6,605)</u>	<u>(2,167)</u>	<u>(5,318)</u>	<u>(1,455)</u>
Finance costs	(3,120)	(2,402)	(6,846)	(4,430)
Other investing activities results	2,041	(265)	1,964	7,843
Share of results of jointly controlled entities	20,104	9,797	39,284	16,172
Profit before taxation	<u>12,420</u>	<u>4,963</u>	<u>29,084</u>	<u>18,130</u>
Taxation	4,092	(51)	2,941	(709)
Profit for the period	<u>16,512</u>	<u>4,912</u>	<u>32,025</u>	<u>17,421</u>
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u><u>16,512</u></u>	<u><u>4,912</u></u>	<u><u>32,025</u></u>	<u><u>17,421</u></u>
Profit attributable to :				
Equity holders of the Company	16,251	5,184	31,660	17,993
Non-controlling interests	261	(272)	365	(572)
	<u>16,512</u>	<u>4,912</u>	<u>32,025</u>	<u>17,421</u>
Total comprehensive income attributable to :				
Equity holders of the Company	16,251	5,184	31,660	17,993
Non-controlling interests	261	(272)	365	(572)
	<u>16,512</u>	<u>4,912</u>	<u>32,025</u>	<u>17,421</u>
	sen	sen	sen	sen
Earnings per share attributable to equity holders of the Company:				
Basic	<u>5.76</u>	<u>1.84</u>	<u>11.23</u>	<u>6.38</u>

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD(Company No. 5572-H)
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018**

	Unaudited As at 30/9/2018 RM'000	(Restated) Audited As at 31/03/2018 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	15,294	15,456
Inventories - Land held for property development	226,057	226,215
Investment properties	187,283	166,967
Land use rights	18	18
Goodwill	10,327	10,327
Investment in jointly controlled entities	174,377	135,093
Investment securities	3,360	8,753
Deferred tax assets	17,174	10,859
	<u>633,890</u>	<u>573,688</u>
Current Assets		
Inventories - Property development costs	421,547	406,711
Inventories - Completed properties	89,739	103,251
Contract assets	49,173	83,209
Investment securities	169	170
Trade and other receivables	123,766	113,386
Tax recoverable	11,755	15,673
Cash and bank balances	31,063	37,049
	<u>727,212</u>	<u>759,449</u>
TOTAL ASSETS	<u>1,361,102</u>	<u>1,333,137</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	310,000	310,000
Treasury shares	(361)	(361)
Capital reserve	30,815	30,815
Other reserve	(30,414)	(30,414)
Retained profits	400,620	368,960
Shares held by ESTS Trust	(25,444)	(25,444)
Shareholders' equity	<u>685,216</u>	<u>653,556</u>
Non-controlling interests	(2,418)	(2,783)
Total equity	<u>682,798</u>	<u>650,773</u>
Non-current Liabilities		
Borrowings	332,382	357,627
Deferred income	31,999	35,618
	<u>364,381</u>	<u>393,245</u>
Current Liabilities		
Trade and other payables	150,437	180,696
Contract liability	408	408
Borrowings	162,307	101,245
Current tax payable	771	6,770
	<u>313,923</u>	<u>289,119</u>
Total Liabilities	<u>678,304</u>	<u>682,364</u>
TOTAL EQUITY AND LIABILITIES	<u>1,361,102</u>	<u>1,333,137</u>
Net Assets per share attributable to Equity Holders of the Company (RM)	<u>2.43</u>	<u>2.32</u>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 5572-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2018**

	-----Attributable to Equity Holders of the Company----->								
	<-----Non-distributable Reserves----->					Distributable			Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Capital Reserve RM'000	Other Reserve RM'000	Shares held by ESIS Trust RM'000	Retained Profits RM'000	Shareholders' Equity RM'000	Non-controlling Interests RM'000	
6 months ended 30.9.2017									
Balance at 1 April 2017 (as previously reported)	310,000	(351)	30,815	(30,414)	(25,444)	324,967	609,573	(1,673)	607,900
Effect of adoption of MFRS 15	-	-	-	-	-	17,768	17,768	-	17,768
Balance at 1 April 2017 (as restated)	310,000	(351)	30,815	(30,414)	(25,444)	342,735	627,341	(1,673)	625,668
Treasury shares repurchased	-	(10)	-	-	-	-	(10)	-	(10)
Dividend	-	-	-	-	-	(9,287)	(9,287)	-	(9,287)
Profit for the period	-	-	-	-	-	17,993	17,993	(572)	17,421
Balance at 30 September 2017	<u>310,000</u>	<u>(361)</u>	<u>30,815</u>	<u>(30,414)</u>	<u>(25,444)</u>	<u>351,441</u>	<u>636,037</u>	<u>(2,245)</u>	<u>633,792</u>
6 months ended 30.9.2018									
Balance at 1 April 2018 (as previously reported)	310,000	(361)	30,815	(30,414)	(25,444)	349,662	634,258	(2,783)	631,475
Effect of adoption of MFRS 15	-	-	-	-	-	19,298	19,298	-	19,298
Balance at 1 April 2018 (as restated)	310,000	(361)	30,815	(30,414)	(25,444)	368,960	653,556	(2,783)	650,773
Profit for the period	-	-	-	-	-	31,660	31,660	365	32,025
Balance at 30 September 2018	<u>310,000</u>	<u>(361)</u>	<u>30,815</u>	<u>(30,414)</u>	<u>(25,444)</u>	<u>400,620</u>	<u>685,216</u>	<u>(2,418)</u>	<u>682,798</u>

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying notes attached to the Interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 5572-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	Period ended 30/9/2018 RM'000	(restated) Period ended 30/9/2017 RM'000
Profit before tax	29,084	18,130
Adjustment for non-cash flow:-		
Depreciation and amortisation	935	991
Share of results of associates and jointly controlled entities	(39,284)	(16,097)
Fair value adjustments on investment securities	107	137
Reversal of impairment on other investment	(17)	-
Gain on disposal of investment securities	(2,125)	-
Loss on disposal of other investment	71	-
Gain on disposal of property, plant and equipment	(4)	-
Gain on disposal of a subsidiary	-	(7,980)
Other non-operating items (which are investing and financing)	(307)	-
Operating profit before changes in working capital	<u>(11,540)</u>	<u>(4,819)</u>
Changes in working capital		
Net change in current assets	22,347	31,246
Net change in current liabilities	(33,891)	(47,536)
Land held for property development	158	(26,051)
Taxation paid	(5,455)	(2,143)
Net cash flows from operating activities	<u>(28,381)</u>	<u>(49,303)</u>
Investing Activities		
- Property, plant and equipment	(445)	(17,288)
- Investment properties	(20,644)	-
- Dividends	307	-
- Other investment	7,358	-
- Subsidiary	-	9,030
- Jointly controlled entities	-	-
	<u>(13,424)</u>	<u>(8,258)</u>
Financing Activities		
- Bank borrowings	35,877	50,357
- Dividends	-	(9,287)
- Equity investment	-	(9)
	<u>35,877</u>	<u>41,061</u>
Net Change in Cash and Cash Equivalents	(5,928)	(16,500)
Cash and Cash Equivalents at beginning of the period	33,089	42,086
Cash and Cash Equivalents at end of the period	<u>27,161</u>	<u>25,586</u>
Analysis of cash and cash equivalents at end of the financial period:		
Cash and bank balances	16,821	21,643
Deposits with licensed financial institutions	14,242	7,288
	<u>31,063</u>	<u>28,931</u>
Less: Deposits pledged with licensed financial institutions	(94)	(91)
Bank overdrafts	(3,808)	(3,254)
	<u>27,161</u>	<u>25,586</u>

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

Explanatory Notes

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2018, which have been prepared in accordance with the Financial Reporting Standards (FRS) and the Companies Act 2016.

The financial statements of the Group for the 3 months period ended 30 June 2018 is the first set of interim financial statements prepared in accordance with MFRS framework and MFRS 1: First-time Adoption of Malaysian Financial Standards has been applied. The MFRS Framework is effective for the Group from 1 April 2018 and the date of transition to the MFRS Framework for the purpose of preparation of the MFRS compliant interim financial report is 1 April 2017 for comparison purpose. The details on the effects from adoption of MFRS framework are described in Note A2 below.

A2. Changes in Accounting Policies

The accounting policies and methods of computation by the Group in this interim report are consistent with those adopted in the most recent annual audited financial statements, save for the adoption of MFRS framework for the first time and the adoption of new standards, amendments and interpretation which came into effect from 1 January 2018 as set out below:

Description

MFRS 2: Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)

MFRS 9: Financial Instruments

MFRS 15: Revenue from Contracts with Customers

MFRS 140: Transfers of Investment Property (Amendments to MFRS 140)

Annual Improvements to MFRS Standards 2014 - 2016 Cycle

IC Interpretation 22: Foreign Currency Transactions and Advance Consideration

The adoption of these standards, amendments and interpretation have the following effects on the financial statements:

MFRS 9: Financial Instruments

MFRS 9 introduces new requirements for classification and measurement, impairment and hedge accounting. The key effect of adoption of this standard on the Group would principally be in respect of the assessment of impairment losses of outstanding debts based on an "expected credit loss" model instead of the "incurred loss" model. The Group applied simplified approach and record lifetime expected losses on all trade receivables and there is no material impact from adoption of this standard.

MFRS 15: Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 supersedes the current revenue recognition guidance including MFRS 118: Revenue, MFRS 111: Construction Contracts and the related interpretations. The key effects of adoption of this standard on the property development activities of the Group are as follows:

- i. in respect of sale of properties that do not fall under the scope of FRSIC Consensus 23: Application of MFRS 15: Revenue from Contracts with Customers on Sale of Residential Properties issued by Malaysian Institute of Accountants, the Group has to assess if the property has an alternative use to the Group and whether the sale and purchase arrangement provides the Group an enforceable right to payment for work completed to-date, in determining whether or not the sale of properties should be recognised at a point in time (completion method) or over time (percentage of completion method);
- ii. it requires the identification of separate performance obligations arising from the sale of properties from all ongoing property development projects of the Group, such as the sale of property with furniture and fitting packages, and may result in the acceleration or deferment of revenue recognition relating to these separate performance obligations depending on whether the related goods and/or services are delivered or satisfied. This affects the timing of revenue recognition for the property development activities;

A2. Changes in Accounting Policies (contd.)**MFRS 15: Revenue from Contracts with Customers (contd.)**

- iii. it requires the Group to capitalise the costs incurred in fulfilling a contract with customers. As such, the expenses attributable to securing contracts with customers such as sales commission are capitalised and expensed to cost of sales by way of percentage of completion.
- iv. it views liquidated ascertained damages (LAD) payable when developer fails to deliver vacant possession within the stipulated period as consideration payable to customers and is presented as a reduction of the transaction price. As such the LAD will be accounted for in the revenue over the tenure of the respective property development project instead of being accounted for as a direct charge to expense when obligation arises.

As a result of adoption of MFRS Framework, the following comparatives in the interim financial report have been restated.

i. Impact on condensed consolidated statement of financial position as at 30 September 2017:

	Unaudited as at 9/30/2017 RM'000	Effect of MFRS 15 RM'000	Restated as at 9/30/2017 RM'000
Condensed consolidated statement of financial position			
Assets			
Investment in jointly controlled entities	82,813	17,074	99,887
Deferred tax assets	11,000	(356)	10,644
Inventories - Property development costs	361,052	(2,478)	358,574
Contract assets	-	62,842	62,842
Other current assets - accrued billings	58,882	(58,882)	-
Equity			
Retained profits	333,241	18,200	351,441

Impact on condensed consolidated statement of comprehensive income for quarter ended 30 September 2017:

	As previously reported 9/30/2017 RM'000	Effect of MFRS 15 RM'000	Restated as at 9/30/2017 RM'000
Revenue	30,623	609	31,232
Cost of sales	(23,369)	(347)	(23,716)
Taxation	12	(63)	(51)
Share of results of a jointly controlled entity	9,045	752	9,797
Net impact on profit or loss attributable to equity holders of the parent	4,233	951	5,184

iii. Impact on basic earnings per share for quarter ended 30 September 2017:

	Increase/(Decrease)
Earnings per share attributable to equity holders of the Company:	
- Basic (sen)	0.34

A2. Changes in Accounting Policies (contd.)**iv. Impact on condensed consolidated statement of comprehensive income for the 6 months period ended 30 September 2017:**

	As previously reported 9/30/2017 RM'000	Effect of MFRS 15 RM'000	Restated 9/30/2017 RM'000
Revenue	67,488	1,114	68,602
Cost of sales	(50,829)	(644)	(51,473)
Taxation	(596)	(113)	(709)
Share of results of a jointly controlled entity	16,097	75	16,172
Net impact on profit or loss attributable to equity holders of the parent	17,561	432	17,993

v. Impact on condensed consolidated statement of cash flows and basic EPS for the 6 months period ended 30 September 2017:

There is no material impact on the consolidated statement of cash flows for the 6 months period ended 30 September 2017.
The impact on basic EPS is as follow:

	Increase/(Decrease)
Earnings per share attributable to equity holders of the Company:	
- Basic (sen)	<u>0.15</u>

A3. Audit Qualification

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2018 was not qualified.

A4. Seasonality or Cyclical Factors

There were no material seasonal or cyclical factors which affected the results of the operations for the quarter under review.

A5. Changes in estimates

There were no major changes in estimates that had a material effect on the results of the quarter under review.

A6. Debt and Equity Securities

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

As at 30 September 2018, the total number of shares purchased amounted to 438,329 ordinary shares at an average price of RM0.82 per share. The shares purchased are retained as treasury shares.

A7. Dividends Paid

No dividend was paid during the current financial quarter under review.

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Unaudited Interim report for the period ended 30 September 2018

A8. Segmental Reporting

<----- Period ended 30/09/2018 ----->

Business segments	Property Development RM'000	Property Investment RM'000	Quarry & Construction RM'000	Other Operations RM'000	Total RM'000
Revenue	60,463	2,940	77	306	63,786
Less : Eliminations of inter-segment					-
Total revenue					<u>63,786</u>
Continuing operations					
Segment results from continuing operations	(4,401)	348	(204)	6,360	2,103
Head office expenses					<u>(7,421)</u>
Operating profit					(5,318)
Finance costs					(6,846)
Other investing activities results					1,964
Share of results of jointly controlled entities					39,284
Profit before taxation					<u>29,084</u>
Taxation					2,941
Profit for the period					<u><u>32,025</u></u>

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

A9. Valuation of property, plant and equipment

There were no valuations done on the Group's property, plant and equipment.

A10. Subsequent Events

The renounceable Rights Issue of up to 416,969,559 new ordinary shares in the Company at an issue price of RM0.35 per Rights Share, on the basis of one (1) Rights Share for every one (1) existing Symlife Share held as at 17 October 2018 ("Rights Issue") was closed for acceptance and payment on 1 November 2018 and a total of 280,280,263 shares were subscribed giving us a total proceed of RM98,098,092.05.

On behalf of the Board, Affin Hwang IB announced that the Rights Issue and Exemption have been completed on 15 November 2018 with the listing and quotation of 280,280,263 Rights Shares and 41,885,858 Additional Warrants B on the Main Market of Bursa Securities.

Apart from the above, there were no material events subsequent from the current quarter ended 30 September 2018 to the date of this announcement.

A11. Changes in the Composition of the Group

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

A12. Changes in contingent liabilities and contingent assets

As at 30 September 2018, there were no material changes in contingent liabilities since the last annual audited statement of financial position as at 31 March 2018. There were no contingent assets as at 30 September 2018.

SYMPHONY LIFE BERHAD

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Unaudited interim report for the period ended 30 September 2018

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS.

B1. Review of Performance

	Individual quarter ended			Cumulative quarter ended		
	30/9/18 RM'000	(Restated) 30/9/17 RM'000	Changes RM'000	30/9/18 RM'000	(Restated) 30/9/17 RM'000	Changes RM'000
Revenue	21,805	31,232	(9,427)	63,786	68,602	(4,816)
Gross profit	747	7,516	(6,769)	9,857	17,129	(7,272)
Share of results - joint ventures	20,104	9,797	10,307	39,284	16,172	23,112
Profit before interest and tax	15,540	7,365	8,175	35,930	22,560	13,370
Profit before tax	12,420	4,963	7,457	29,084	18,130	10,954
Profit after tax	16,512	4,912	11,600	32,025	17,421	14,604
Profit attributable to equity holders of the Company	16,251	5,184	11,067	31,660	17,993	13,667

(a) Performance of Current Quarter as Compared to the Preceding Year's Corresponding Quarter

The largest contributor to the earnings of the Group for the period under review and for the next two years is our joint-venture project, Star Residences. However, since our share of the joint-venture is 50% held through our 50% shareholding in Alpine Return Sdn Bhd, the results are not consolidated into our income statement, but shown as a line item 'share of results - joint ventures'. A fairer reflection of the Group's performance is thus the profit before interest and tax ('PBIT').

The Group achieved PBIT of RM15.540 million compared to RM7.365 million for the preceding year's corresponding quarter, mainly due to better contribution from Star Residences.

Excluding the results from joint-ventures, for the quarter ended 30 September 2018, the Group achieved revenue of RM21.81 million, which is RM9.43 million lower as compared to the preceding year's corresponding quarter. The Group also reported a lower gross profit of RM0.75 million, which is RM6.77 million lower as compared to the preceding year's corresponding quarter. This is mainly due to the reversal of revenue and gross profit of RM9.21 million and RM8.51 million respectively by the TWY Mont' Kiara project for the estimated liquidated ascertained damages to customers and additional cost to be incurred to complete the project.

The main contributors to revenue and gross profit for the current quarter were:

- Tijani Raja Dewa (150 units of condominiums, 29 units of super-link terrace houses and 26 units of semi-detached houses in Kota Bharu, Kelantan); and
- Union Suites@ Bandar Sunway (626 units of condominium in Bandar Sunway)

(b) Performance of Current Year-To-Date ("YTD") as Compared to the Preceding YTD

The Group achieved PBIT of RM35.930 million for current YTD as compared to RM22.560 million for the preceding TYD, mainly due to better contribution from Star Residences.

Excluding the results from joint-ventures, the lower revenue and gross profit recorded during current YTD compared to preceding YTD is due to the following:

- completion of Elevia Residences, Taman Tasik Prima, Puchong which contributed lower revenue and gross profit of RM9.36 million and RM2.12 million respectively during current YTD as compared to the preceding YTD;
- Saffron III project in Amanjaya which contributed revenue and gross profit of RM7.92 million and RM2.14 million respectively which was completed in December 2017
- slower progress in Union Suites @ Bandar Sunway, with a lower contribution of revenue and gross profit by RM2.36 million and RM0.65 million respectively; and
- reversal of revenue and gross profit in TWY, Mont' Kiara by RM9.21 million and RM8.51 million respectively during the current YTD.

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Unaudited interim report for the period ended 30 September 2018

The above impact was mitigated by the following:

- sales of completed units in Arata, Lavendar Heights and Tijani Ukay that contributed revenue and gross profit of RM6.54 million and RM1.10 million respectively;
- higher progress of work done for Tijani Raja Dewa in Kota Bharu, Kelantan which contributed higher revenue and gross profit of RM17.90 million and RM2.66 million respectively.

B2. Material Changes in the Quarterly Results as Compared to the Immediate Preceding Quarter

	Individual quarter ended		Changes RM'000
	30/9/18 RM'000	30/6/18 RM'000	
Revenue	21,805	41,981	(20,176)
Gross profit	747	9,110	(8,363)
Share of results - joint venture	20,104	19,180	924
Profit before interest and tax	15,540	20,390	(4,850)
Profit before tax	12,420	16,664	(4,244)
Profit after tax	16,512	15,513	999
Profit attributable to equity holders of the Company	16,251	15,409	842

The revenue and gross profit for the current quarter is lower than that of the immediate preceding quarter mainly due to reversal of revenue and gross profit of RM9.21 million and RM8.51 million respectively by TWY, Mont' Kiara for the estimated liquidated ascertained damages to customers and additional cost to be incurred to complete the project.

B3. Prospects for the financial year ending 31 March 2019

As the market environment is expected to remain competitive and challenging in 2019, the Group continues to take measures to make our products more attractive and affordable. The current take up rates of our projects are as follows:

- Star Residences, a RM3.0 billion mixed development in KLCC area comprising 3 residential towers and 5 blocks of signature retail has received good response. The Residential Tower 1 (RT 1) and Residential Tower 2 (RT 2) have achieved sales of 97% and 84% respectively. The signature retail (SR) has also been well received and has achieved sales of 89%. The Residential Tower 3 (RT 3) which is offered as Ascott Residences and Ascott Serviced Apartments and launched in October 2017 had encouraging response from foreign buyers. Star Residences will continue to be the highest contributor to the Group's profit for the current financial year under review.
- TWY Mont' Kiara, with a projected Gross Development Value ("GDV") of RM435 million, is a development which caters to investors and the younger generation of house buyers looking for small-sized condominiums in the exclusive Mont' Kiara enclave. The project received excellent response and has achieved sales of 98%. The Group expects TWY Mont' Kiara to remain as one of the major contributors to the Group's revenue and profit for the current financial year despite facing construction delays. The Group had terminated the main contractor and appointed a reputable main contractor to take over the construction of the project development with the aim to minimise the delays.

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Unaudited interim report for the period ended 30 September 2018

- Tijani Raja Dewa in Kota Bharu offers a combination of terrace and semi-detached houses and a block of condominiums with a projected GDV of RM185 million in the 1st phase of development. Sales have recently picked up as the development is nearing completion. This project achieved sales of close to 41% as at the end of this quarter compared to 30% in the last financial year end.
- Union Suites@ Bandar Sunway offers 626 units of mainly small fully fitted apartments with a projected GDV of RM479 million. This project is targeted for students' accommodation and investors due to its proximity to several established universities, colleges and medical centres in the Bandar Sunway area. The take up rate of this project is 50% of the number of units offered.
- Elevia Residences, Puchong, with a GDV of RM131 million, offers a combination of 128 units of condominium and 34 units of Villas in our Taman Tasik Prima township in Puchong. It has todate achieved a take up rate of 78%.
- Industrial lots of Amanjaya, Sungai Petani with GDV of RM15 million, offers 29 units of industrial bungalow lots and 14 units of industrial semi-detached lots during the current quarter under review with 42% take up rate for the industrial semi-detached lots.

Prospects going forward for the Group remain positive with unbilled sales of RM852 million (including our 50% share in the joint venture, Star Residences) as at 30 September 2018.

However, the Group is cautious given the soft property market which is expected to remain subdued in the medium term. We will continue to take measures such as implementing cost efficiencies through organisation and manpower restructuring to manage our costs in the slow business environment.

B4. Profit Forecast/Profit Guarantee

Not applicable

B5. Profit Before Tax

	Individual quarter ended 30/9/18 RM'000	Cumulative quarter ended 30/9/18 RM'000
Profit before tax is arrived at after charging/(crediting):-		
Depreciation and amortisation	466	935
Interest income	(1,271)	(2,467)
Dividend income	(154)	(307)
Interest expenses	3,120	6,846
Allowance for doubtful debts	-	-
Allowance for doubtful debts no longer required	(2)	(2)
Bad debts written off	-	-
Impairment loss on inventories	-	-
Inventories written off	-	-
Gain on disposal of property, plant and equipment	(4)	(4)
Property, plant and equipment written off	-	-
Impairment on assets	-	-
Gain/Loss on foreign exchange	-	-
Gain/Loss on derivatives	-	-
Included in other investing results were :-		
- Gain on disposal of investment securities	(2,125)	(2,125)
- Loss on disposal of other investment	71	71
- Fair value adjustment of investment securities	29	107
- Reversal of impairment on other investment	(17)	(17)

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B6. Taxation

Taxation comprises the following :-

	Individual quarter ended 30/9/18 RM'000	Cumulative quarter ended 30/9/18 RM'000
Current taxation	2,211	3,374
Deferred taxation	(6,303)	(6,315)
	<u>(4,092)</u>	<u>(2,941)</u>

The effective tax rate of the Group for the period under review is lower than the statutory tax rate mainly due to recognition of deferred tax assets.

B7. Status of Corporate Proposals

All corporate proposals announced are completed as at the date of this announcement.

B8. Group Borrowings and Debt Securities

The Group's borrowings and debt securities as at 30 September 2018 and 30 September 2017 were as follows:

	Type	Weighted average interest rate	As at 30 September 2018		
			Long term RM'000	Short term RM'000	Total RM'000
Secured					
Bank overdrafts	Floating	5.36%	-	3,809	3,809
Revolving credits	Floating	5.28%	84,000	63,800	147,800
Term loans	Floating	5.68%	248,382	94,698	343,080
			<u>332,382</u>	<u>162,307</u>	<u>494,689</u>
As at 30 September 2017					
			Long term RM'000	Short term RM'000	Total RM'000
Secured					
Bank overdrafts	Floating	5.36%	-	3,254	3,254
Revolving credits	Floating	5.06%	-	131,300	131,300
Term loans	Floating	5.64%	270,302	24,660	294,962
			<u>270,302</u>	<u>159,214</u>	<u>429,516</u>

All borrowings are denominated in Ringgit Malaysia.

B9. Off Balance Sheet Financial Instruments

There is no financial instrument with off balance sheet risk as at the date of this report.

B10. Material Litigation

There is no material litigation against the Group pending as at the date of this report, except for the following:

- (a) **Tijani (Bukit Tunku) Sdn Bhd ("Tijani" or "Respondent"), a wholly-owned subsidiary of SymLife, had on 20 August 2015 received a Notice of Arbitration served by T.J. Civil & Structural Contractor Sdn Bhd ("Claimant") to seek redress on the disputes arising from a project, including inter alia that Tijani and its servants, agents or consultants had failed, neglected and/or refused to grant the Claimant extension of time, thereby causing delay on the part of the Claimant in completing the contracted works.**

The Claimant served its Statement of Claim claiming loss and damages for a total sum of RM9.13million.

Tijani defended the claim and submitted a counterclaim against the Claimant seeking, amongst others, liquidated damages in the sum of RM3.88million and damages suffered by Tijani in the sum of RM1.1million.

To-date, the arbitration proceeding is still on-going and the next hearing before the arbitrator is scheduled for mid of March 2019. Our solicitor is of the opinion that based on the facts of the case, Tijani has a fair chance of success in the arbitration proceedings.

- (b) **TWY Development Sdn. Bhd. ("TWY" or "Defendant"), a wholly-owned subsidiary of SymLife has on 23 August 2018 terminated the services from Top International Engineering (Malaysia) Sdn Bhd, the main contractor appointed for a residential development in Mont Kiara known as "TWY" ("TIE" or "Plaintiff") due to the Plaintiff's default and failure to proceed regularly and/or diligently with the contracted works. Following the termination, TWY has on the even date, made a written demand to RHB Bank Berhad to claim for the sum of RM9,093,400 under a performance bond provided by TIE ("Bank Guarantee").**

On 27 August 2018, TIE filed an Originating Summons accompanied with a Notice of Application for an ex-parte interim injunction seeking, amongst others:-

- (i) an interim injunction order restraining TWY from receiving proceeds of any demand made under the Bank Guarantee, or in the event that the said proceeds have been received, an order restraining TWY from transferring, utilising or dealing howsoever with the said proceeds, until the final disposal of this action; and
- (ii) an interim injunction to restrain TWY from making any further demand under the Bank Guarantee until the final disposal of this action.

On 28 August 2018, TIE obtained an ex-parte interim injunction from the High Court of Malaya restraining TWY from receiving payment under the Bank Guarantee pending the disposal of this action.

On 7 September 2018, TWY filed a Notice of Application to set aside the ex-parte interim injunction dated 28 August 2018 and sought, amongst others:-

- (i) damages in the form of interest at the rate of 8.00% per annum on the Bank Guarantee from the date of the interim injunction until a date to be determined by the High Court of Malaya; and/or
- (ii) an order for the assessment of damages suffered by TWY resulting from the interim injunction.

The hearing of the Originating Summons, the inter-partes injunction application and the setting aside application was fixed on 22 October 2018 and was subsequently adjourned to 31 October 2018 pending the outcome of a Court assisted mediation of the matter. TWY and TIE had on 16 November 2018, entered into a Consent Order and the details of the Consent Order are summarised as follows:

- (i) TIE to pay TWY upfront cash of RM6million within 28 days from the date of the Consent Order, the amount of which shall be accounted for in the Arbitral Award between both parties;
- (ii) The Performance Bond dated 23.8.2016 shall be extended by TIE until 3 months after Arbitral Award between both parties is published and in the event that the Performance Bond cannot be extended, TIE shall provide a new performance bond within 56 days of the Consent Order which shall be valid until 3 months after the Arbitral Award;
- (iii) TIE shall not commence any payment claim and adjudication proceedings under the Construction Industry Payment and Adjudication Act 2012 against TWY;
- (iv) All the disputes between the parties arising from and in connection with the Contract shall be referred to and resolved in the arbitration proceedings;
- (v) TWY agrees to deposit RM500,000.00 to Messrs Azman Davidson & Co within 28 days after TIE satisfies the terms under the Consent Order and Messrs Azman Davidson & Co to hold this sum as a stakeholder pending the outcome of the arbitration proceedings;

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(vi) In the event TIE fails to comply with any of the terms in the Consent Order, TWY shall immediately be entitled to demand the Performance Bond. In addition, if TIE fails to comply with any of the terms in the Consent Order, TWY shall be released and discharged of its obligations under the terms of the Consent Order.

B11. Dividends Proposed

No interim dividend has been proposed during the quarter under review.

B12. Earnings per share

	Individual quarter ended		Cumulative quarter ended	
	30/9/18	30/9/17	30/9/18	30/9/17
	RM'000	RM'000	RM'000	RM'000
Profit for the period attributable to the ordinary equity holders of the Company	16,251	5,184	31,660	17,993
Weighted average number of ordinary shares excluding treasury shares and shares held by Employees' Share Trust Scheme ('000)	281,999	282,005	281,999	282,005
Basic earnings per share (sen) for :				
Profit for the period	5.76	1.84	11.23	6.38

The diluted earnings per share is not presented as the effect of the assumed conversion of warrants outstanding will be anti dilutive and the Company has no other dilutive potential ordinary shares in issue as at end of the reporting period.

ALAN CHAN CHEE MING**SOO YIN KHENG**

Secretaries

Petaling Jaya, Selangor

Date: 28 November 2018