

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Individual quarter ended		Year ended	
	31/3/23 RM'000	31/3/22 RM'000	31/3/23 RM'000	31/3/22 RM'000
Revenue	35,063	14,542	128,464	297,618
Cost of sales	(25,416)	(5,069)	(86,784)	(236,911)
Gross profit	<u>9,647</u>	<u>9,473</u>	<u>41,680</u>	<u>60,707</u>
Other income	1,206	3,588	7,765	57,051
Employee benefits expense	(3,194)	(3,395)	(19,098)	(22,667)
Depreciation and amortisation	(1,537)	(2,190)	(6,792)	(7,672)
Net impairment losses on trade and other receivables	(70,131)	-	(70,131)	-
Other expenses	(13,130)	(3,710)	(27,543)	(16,134)
(Loss)/Profit from operations	<u>(77,138)</u>	<u>3,766</u>	<u>(74,118)</u>	<u>71,285</u>
Finance costs	(2,707)	(4,076)	(9,422)	(13,785)
Other investing activities results	(507)	-	(507)	(352)
Share of results of jointly controlled entities	22,710	(5,900)	14,923	(17,270)
(Loss)/Profit before taxation	<u>(57,644)</u>	<u>(6,210)</u>	<u>(69,126)</u>	<u>39,878</u>
Taxation	(9,562)	4,769	(12,502)	(6,381)
(Loss)/Profit for the year	<u>(67,205)</u>	<u>(1,441)</u>	<u>(81,627)</u>	<u>33,497</u>
Other comprehensive income	-	-	-	-
Total comprehensive (expense)/income for the year	<u>(67,205)</u>	<u>(1,441)</u>	<u>(81,627)</u>	<u>33,497</u>
(Loss)/Profit attributable to :				
Equity holders of the Company	(63,154)	(2,433)	(72,372)	37,584
Non-controlling interests	(4,051)	992	(9,255)	(4,087)
	<u>(67,205)</u>	<u>(1,441)</u>	<u>(81,627)</u>	<u>33,497</u>
Total comprehensive (expense)/income attributable to :				
Equity holders of the Company	(63,154)	(2,433)	(72,372)	37,584
Non-controlling interests	(4,051)	992	(9,255)	(4,087)
	<u>(67,205)</u>	<u>(1,441)</u>	<u>(81,627)</u>	<u>33,497</u>
	sen	sen	sen	sen
Earnings per share attributable to equity holders of the Company:				
Basic	<u>(9.64)</u>	<u>(0.37)</u>	<u>(11.05)</u>	<u>6.04</u>

Notes: -

Share of results of jointly controlled entities is before tax. Taxation includes share of tax of jointly controlled entities.

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the year ended 31 March 2022 and the accompanying notes attached to the interim financial statements)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Unaudited As at 31/3/23 RM'000	Audited As at 31/3/22 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	14,360	15,261
Inventories - Land held for property development	337,587	72,340
Investment properties	175,654	181,426
Right-of-use assets	275	135
Land use rights	16	17
Goodwill	10,327	10,327
Investment in jointly controlled entities	288,274	253,053
Investment securities	2,179	2,516
Trade and other receivables	4,242	6,664
Other non-current assets	-	79
Deferred tax assets	41,363	38,898
	<u>874,275</u>	<u>580,716</u>
Current Assets		
Inventories - Property development costs	33,704	295,214
Inventories - Completed properties	87,350	145,467
Trade and other receivables	69,764	148,197
Contract cost assets	1,650	267
Other current assets	1,291	1,414
Contract assets	-	1,847
Tax recoverable	9,130	8,840
Cash and bank balances	115,377	168,315
	<u>318,266</u>	<u>769,561</u>
TOTAL ASSETS	<u>1,192,542</u>	<u>1,350,277</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	477,854	477,854
Treasury shares	(361)	(361)
Capital reserve	2,500	2,500
Other reserve	(32,689)	(32,689)
Retained profits	519,118	591,669
Shares held by ESTS Trust	(37,358)	(37,358)
Shareholders' equity	<u>929,064</u>	<u>1,001,615</u>
Non-controlling interests	(32,711)	(23,634)
Total equity	<u>896,354</u>	<u>977,981</u>
Non-current Liabilities		
Borrowings	134,850	164,685
Lease liabilities	58	61
Trade and other payables	19,306	18,958
Deferred tax liabilities	158	6
	<u>154,372</u>	<u>183,710</u>
Current Liabilities		
Trade and other payables	93,492	107,549
Other current liabilities	-	34
Borrowings	45,668	76,387
Lease liabilities	59	60
Current tax payable	2,596	4,556
	<u>141,816</u>	<u>188,586</u>
Total Liabilities	<u>296,188</u>	<u>372,296</u>
TOTAL EQUITY AND LIABILITIES	<u>1,192,542</u>	<u>1,350,277</u>
Net Assets per share attributable to Equity Holders of the Company (RM)	<u>1.42</u>	<u>1.53</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 2022 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

	-----Attributable to Equity Holders of the Company----->								
	<-----Non-distributable Reserves----->					Distributable			
	<u>Share Capital</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Capital Reserve</u> RM'000	<u>Other Reserve</u> RM'000	<u>Shares held by ESTS Trust</u> RM'000	<u>Retained Profits</u> RM'000	<u>Shareholders' Equity</u> RM'000	<u>Non-controlling interests</u> RM'000	<u>Total Equity</u> RM'000
<u>12 months ended 31.3.2022</u>									
Balance at 1 April 2021	433,301	(361)	2,500	(32,689)	(36,191)	575,998	942,558	(25,610)	916,948
Effects on adoption of IFRIC Agenda Decision	-	-	-	-	-	(10,030)	(10,030)	(185)	(10,215)
Balance at 1 April 2021 (restated)	433,301	(361)	2,500	(32,689)	(36,191)	565,968	932,528	(25,795)	906,733
Profit for the financial year	-	-	-	-	-	37,584	37,584	(4,087)	33,497
Change in ownership interests in subsidiaries	-	-	-	-	-	-	-	6,248	6,248
Shares issued through private placement	34,446	-	-	-	-	-	34,446	-	34,446
Shares issued through Dividend Reinvestment Plan	10,107	-	-	-	-	-	10,107	-	10,107
Dividend	-	-	-	-	-	(11,883)	(11,883)	-	(11,883)
Subscription of shares via Dividend Reinvestment Plan	-	-	-	-	(1,167)	-	(1,167)	-	(1,167)
Balance at 31 March 2022	<u>477,854</u>	<u>(361)</u>	<u>2,500</u>	<u>(32,689)</u>	<u>(37,358)</u>	<u>591,669</u>	<u>1,001,615</u>	<u>(23,634)</u>	<u>977,981</u>
<u>12 months ended 31.3.2023</u>									
Balance at 1 April 2022	477,854	(361)	2,500	(32,689)	(37,358)	591,669	1,001,615	(23,634)	977,981
Loss for the financial year	-	-	-	-	-	(72,372)	(72,372)	(9,255)	(81,627)
Change in ownership interest in subsidiaries	-	-	-	-	-	(179)	(179)	179	-
Balance at 31 March 2023	<u>477,854</u>	<u>(361)</u>	<u>2,500</u>	<u>(32,689)</u>	<u>(37,358)</u>	<u>519,118</u>	<u>929,064</u>	<u>(32,711)</u>	<u>896,354</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 2022 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Year ended 31/3/2023 RM'000	Year ended 31/3/2022 RM'000
(Loss)/ Profit before tax	(69,126)	39,878
Adjustment for non-cash flow:-		
Depreciation and amortisation	6,792	7,672
Share of results of associates and jointly controlled entities	(14,923)	17,270
Impairment losses on trade receivables	2,500	-
Impairment losses on other receivables	74,655	-
Reversal of impairment losses on trade receivables	(7,023)	-
Property, plant and equipment written off	455	1,013
Fair value adjustments on quoted investment	337	-
Loss on disposal of other investments	-	352
Gain on disposal of property, plant and equipment	-	(50,555)
Reversal of impairment on land held for development	-	-
Gain on disposal of a subsidiary	-	-
Other non-operating items (which are investing and financing)	550	(2,483)
Operating loss before changes in working capital	<u>(5,783)</u>	<u>13,147</u>
Changes in working capital		
Net change in current assets	331,017	253,442
Net change in current liabilities	(13,746)	(40,012)
Land held for property development	(265,247)	1,318
Taxation paid	(21,767)	(25,179)
Net cash flows from operating activities	<u>24,474</u>	<u>202,716</u>
Investing Activities		
- Property, plant and equipment	(712)	261
- Investment properties	-	(2)
- Jointly controlled entities	(25,000)	44,280
- Dividends	-	538
- Acquisition of additional interest in a subsidiary	-	(2,000)
- Other investment	-	(521)
	<u>(25,712)</u>	<u>42,556</u>
Financing Activities		
- Bank borrowings	(60,510)	(180,342)
- Lease payment	(44)	(841)
- Proceeds from allotment of shares to third party	-	7,500
- Proceeds from private placement	-	34,446
- Dividends paid	-	(2,943)
- Uplift of deposits with licensed bank	10,000	1,300
	<u>(50,554)</u>	<u>(140,880)</u>
Net Change in Cash and Cash Equivalents	(51,792)	104,392
Cash and Cash Equivalents at beginning of the year	165,253	60,861
Cash and Cash Equivalents at end of the year	<u>113,461</u>	<u>165,253</u>
Analysis of cash and cash equivalents at end of the financial year:		
Cash and bank balances	56,377	40,112
Deposits with licensed financial institutions	59,000	128,203
	<u>115,377</u>	<u>168,315</u>
Less: Deposits pledged with licensed financial institutions	-	(2,041)
Bank overdrafts	(1,916)	(1,021)
	<u>113,461</u>	<u>165,253</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 2022 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

Unaudited interim report for the financial year ended 31 March 2023**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 2022, which have been prepared in accordance with the Malaysian Financial Reporting Standards (MFRS) and the Companies Act 2016.

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 new standards, amendments and interpretation which came into effect from 1 January 2022 as set out below:

Description

Amendments to MFRS 3 : Reference to the Conceptual Framework

Amendments to MFRS 116 : Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137 : Onerous Contracts - Cost of Fulfilling a Contract

Annual Improvement to MFRS Standards 2018-2020

The adoption of these standards, amendments and interpretation did not result in material impact to the interim financial statements of the Group.

The following are new standards, amendments and interpretations that have been issued by the MASB but have not been early adopted by the Group:

Effective for annual periods beginning on or after 1 January 2023:**Description**

MFRS 17 : Insurance Contracts

Amendments to MFRS 17 : Insurance Contracts

Amendments to MFRS 17 : Insurance Contracts: Initial Application of MFRS 17 and MFRS 9 Comparative Information

Amendments to MFRS 101 : Classification of Liabilities as Current or Non-current

Amendments to MFRS 101 : Disclosure of Accounting Policies

Amendments to MFRS 108 : Definition of Accounting Estimates

Amendments to MFRS 112 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective for annual periods beginning on or after 1 January 2024:**Description**

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Non-current Liabilities with Covenants

Effective date deferred to a date to be determined by MASB:**Description**

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

A3. Audit Qualification

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2022 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. Unusual items due to their Nature, Size or Incidence

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

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Unaudited interim report for the financial year ended 31 March 2023**A6. Changes in estimates**

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

A7. 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 31 March 2023, the total number of shares purchased amounted to 438,329 ordinary shares with an average price of RM0.82 per share. These shares are retained as treasury shares.

A8. Dividends Paid

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

A9. Segmental Reporting

<----- Year ended 31/3/2023 ----->

Business segments	Property Development RM'000	Property Investment RM'000	Quarry & Construction RM'000	Other Operations RM'000	Total RM'000
Revenue	109,392	20,068	12,606	7,151	149,216
Less : Eliminations of inter-segment					(20,752)
Total revenue					<u>128,464</u>
Continuing operations					
Segment results from continuing operations	(69,937)	6,298	426	(4,140)	(67,352)
Head office expenses					<u>(6,766)</u>
Loss from operations					(74,118)
Finance costs					(9,422)
Other investing activities results					(507)
Share of results of jointly controlled entities					<u>14,923</u>
Loss before taxation					(69,126)
Taxation					(12,502)
Loss for the year					<u><u>(81,627)</u></u>

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

A10. Valuation of property, plant and equipment

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

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Unaudited interim report for the financial year ended 31 March 2023**A11. Subsequent Events**

There were no material events from the current quarter ended 31 March 2023 to the date of this announcement, except for the following:

- (a) On 20 April 2023, Symphony Estates Sdn. Bhd. ("SESB") as purchaser, a wholly-owned subsidiary of SymLife and HTP Utama Sdn. Bhd. ("HTP") as vendor entered into a Share Sale Agreement ("SSA") in relation to the acquisition of 62,500 ordinary shares ("Sale Shares") in Vistayu Sdn. Bhd. ("VSB"), representing 25% of the total issued and paid-up share capital of the company.

The parties agreed that the total consideration for the sale and purchase of Sale Shares in the sum of RM7,213,000 ("Purchase Consideration").

SESB has made and paid the total deposit sum of RM216,390, being 3% of the consideration to the solicitors as stakeholders for the purpose of meeting the liabilities under the Real Property Gains Tax Act 1976 and the balance deposit of RM1,947,510 to HTP being 30% of the Purchase Consideration.

The balance consideration of RM5,049,100 will be made on the completion date after fulfilment of the conditions precedent within three (3) months from the date of SSA or such date as the parties may mutually agreed in writing.

The agreement is conditional upon the fulfilment of conditions precedent on or before the expiry of the cut-off date such other date to be mutually agreed between both parties.

SESB shall procure VSB to repay shareholders' loan from HTP amounting to RM2,446,000 on the completion date.

The SSA is currently pending fulfilment of the conditions precedent.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review except for the following:

- (a) Pursuant to the announcement on 16 January 2023, a wholly-owned subsidiary of the Company, completed the acquisition of the balance 49% equity interest in Brilliant Armada Sdn. Bhd. ("BASB") from Mobuild Sdn. Bhd. on 7 February 2022. Following the acquisition, BASB became a wholly-owned subsidiary of the Group.
- (b) On 30 March 2023, the Company disposed of the following subsidiaries to a third party at the total consideration of RM11.00:
- (i) Gaya Arena Sdn. Bhd.
 - (ii) Kejora Harta Properties Sdn. Bhd.
 - (iii) Kenneison Quarries Sdn. Bhd.
 - (iv) LPG System Sdn. Bhd.
 - (v) Parkrose Holdings Sdn. Bhd.
 - (vi) Prestige Capital Sdn. Bhd.
 - (vii) Prima Istimewa Sdn. Bhd.
 - (viii) Primtrax Sdn. Bhd.
 - (ix) Senawang Mewah Sdn. Bhd.
 - (x) Skyline Concepts Sdn. Bhd.
 - (xi) Winmin Builders Sdn. Bhd.

Following the disposal, the above-mentioned companies ceased to be subsidiaries of the Company.

A13. Changes in contingent liabilities and contingent assets

As at 31 March 2023, there were no contingent assets and no material changes in contingent liabilities since the last annual audited statement of financial position as at 31 March 2022 except that the Group received legal claims for liquidated ascertained damages ("LAD") amounting to RM15.84 million for three of its residential projects.

The Group has been advised by its legal counsel that based on the distinguishing fact patterns of the Group's legal position against these claims, it is only possible, but not probable that there will be an outflow of resources at this juncture. Accordingly, no provision for any liability has been made in the financial statements.

The proceedings in respect of these claims are, as at the date of this announcement, still on-going.

SYMPHONY LIFE BERHAD

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Unaudited interim report for the financial year ended 31 March 2023**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMEI****B1. Review of Performance**

	Individual quarter ended			Year ended		
	31/3/23 RM'000	31/3/22 RM'000	Changes RM'000	31/3/23 RM'000	31/3/22 RM'000	Changes RM'000
Revenue	35,063	14,542	20,521	128,464	297,618	(169,154)
Gross profit	9,647	9,473	174	41,680	60,707	(19,027)
Share of results of jointly controlled entities	22,710	(5,900)	28,610	14,923	(17,270)	32,193
(Loss)/Profit before tax	(57,644)	(6,210)	(51,434)	(69,126)	39,878	(109,004)
(Loss)/Profit before tax	(67,205)	(1,441)	(65,764)	(81,627)	33,497	(115,124)
(Loss)/Profit attributable to equity holders of the Company	(63,154)	(2,433)	(60,721)	(72,372)	37,584	(109,956)

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

The main contributors to the revenue of the Group for the period under review are Union Suites @ Bandar Sunway, Amanjaya @ Sungai Petani and Tijani Raja Dewa projects.

For the quarter ended 31 March 2023, the Group reported revenue of RM35.06 million, which is RM20.52 million higher than the preceding year's corresponding quarter. The increase in revenue was contributed mainly from Union Suites @ Bandar Sunway and higher progress revenue recognised in Amanjaya, Sungai Petani during the current quarter.

Higher share of profit from jointly controlled entities for the current quarter was mainly due to higher sales achieved for Star Residences project coupled with contribution from Ascott Star KLCC operation and cost saving from main building works in Star Residences project after finalization of account.

The Group recorded higher loss before tax of RM57.64 million during the current quarter, which is RM51.43 million higher compared to the preceding year's corresponding quarter mainly due to a provision of impairment losses on receivables amounting to RM75 million from Open Road Asia Sdn. Bhd.

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

The Group registered lower revenue of RM128.46 million for current YTD as compared to RM297.62 million for the preceding YTD mainly due to disposal of Sg Long land in preceding YTD.

Lower gross profit reported for current YTD is mainly due to recognition of gain on disposal of Sg Long land in preceding YTD, cushioned by higher rental income contribution from property investment segment, higher contribution from Union Suites @ Bandar Sunway project and recognition of RM4.5 million losses arising from the outcome of arbitration for Arata at Bukit Tunku project in preceding YTD.

Higher share of profit from jointly controlled entities during current YTD is mainly due to cost saving from main building works in Star Residences project after finalization of account.

The Group reported a loss before tax of RM69.13 million for current YTD as compared to a profit before tax of RM39.88 million for the preceding YTD. The significant difference is primarily attributed to lower gross profit achieved, the gain on disposal of Sg Long land recorded in preceding YTD and a provision of RM75 million for impairment loss on receivables made during current YTD. This provision of receivables negatively impacts to the Group's financial performance, resulting in a higher loss before tax for the current YTD.

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(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

Unaudited interim report for the financial year ended 31 March 2023**B2. Material Changes in the Quarterly Results as Compared to the Immediate Preceding Quarter**

	Individual quarter ended		Changes RM'000
	31/3/23 RM'000	31/12/22 RM'000	
Revenue	35,063	43,770	(8,707)
Gross profit	9,647	13,747	(4,100)
Share of results of jointly controlled entities	22,710	(2,230)	24,940
(Loss)/Profit before tax	(57,644)	330	(57,974)
Loss after tax	(67,205)	(1,046)	(66,159)
(Loss)/Profit attributable to equity holders of the Company	(63,154)	298	(63,452)

The Group reported lower revenue and gross profit for the current quarter compared to the preceding quarter mainly due to higher contribution from Union Suites @ Bandar Sunway project in the preceding quarter.

Share of profit from jointly controlled entities has increased from losses of RM2.23 million in preceding quarter to RM22.71 million mainly due to cost saving from main building work in Star Residences project.

The Group recorded loss before tax of RM57.64 million for the current quarter compared to RM0.33 million for preceding quarter mainly due to lower revenue and gross profit achieved, provision of impairment losses on receivable of RM75 million from Open Road Asia Sdn. Bhd. and higher share of profit from jointly controlled entities.

B3. Prospects for the financial year ending 31 March 2023

The financial year ending 31 March 2023 is expected to remain tough and challenging due to the uncertainties of the global economic outlook and Malaysia's economic recovery. Inflationary pressure, labour shortage, geopolitical conflicts and continued monetary policy tightening will likely create headwinds for the Malaysian property market.

However, the property market in Malaysia is expected to grow in 2023 despite moderately lower economic growth due to the unpredictable external environment. With accommodative policies and execution of measures outlined in the revised Budget 2023, as well as strategies and initiatives under 12th Malaysia Plan would provide support to the property sector.

The property sector is expected to benefit from the provision of a RM2 billion guarantee through the Housing Credit Guarantee Scheme to facilitate loans for those without proof of steady income and 100% stamp duty exemption for first-time homeowners of properties priced RM500,000 and below through the Keluarga Malaysia Home Ownership Initiative (i-MILIKI) from June 2022 till December 2023. The introduction of the RPGT waiver for property disposal from the sixth year onwards will also be a boon for stimulating property upgrades.

The Group will continue to take measures in mitigating potential risks and to ensure cost efficiencies, especially in the environment where shortage of labour and supply chain disruption have resulted in price escalation of construction materials. In regard to project updates, whilst taking effort on clearing the unsold units, the group is looking forward to have several projects launched in the near future and committed to establish a brand differentiation in quality build and design innovation.

B4. Profit Forecast/Profit Guarantee

Not applicable

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Unaudited interim report for the financial year ended 31 March 2023**B5. Profit Before Tax**

	Individual quarter ended 31/3/23 RM'000	Year ended 31/3/23 RM'000
Profit before tax is arrived at after charging/(crediting):-		
Depreciation and amortisation	1,537	6,792
Interest income	(915)	(3,490)
Dividend income	-	-
Interest expenses	2,707	9,422
Impairment losses on trade receivables	-	2,500
Reversal of impairment losses on trade receivables	(7,000)	(7,023)
Bad debts written off	-	-
Impairment loss on inventories	-	-
Impairment loss on other receivables	75,000	-
Inventories written off	-	-
(Gain)/Loss on disposal of property, plant and equipment	-	-
Property, plant and equipment written off	455	455
Impairment on assets	-	-
(Gain)/Loss on foreign exchange	-	-
(Gain)/Loss on derivatives	-	-
	<hr/>	<hr/>
Included in other investing results were :-		
- Gain on disposal of investment securities	-	-
- Loss on disposal of other investments	-	-
- Fair value adjustment of investment securities	-	-
- Fair value adjustment of unquoted investment	337	-
	<hr/>	<hr/>

B6. Taxation

Taxation comprises the following :-

	Individual quarter ended 31/3/23 RM'000	Year ended 31/3/23 RM'000
Current taxation	13,731	19,516
Deferred taxation	(1,227)	(2,313)
Share of tax of jointly controlled entities	(2,943)	(4,702)
	<hr/>	<hr/>
	9,562	12,502
	<hr/>	<hr/>

The effective tax rate of the Group for the period under review is higher than the statutory tax rate mainly due to non-deductibility of certain expenses for tax purpose and losses from some subsidiaries which cannot be off-set against taxable profits of other subsidiaries.

B7. Status of Corporate Proposals

(a) On 23 November 2021, the Company announced that its wholly-owned subsidiary, Symphony ORIC Development Sdn. Bhd. ("ORIC") and Open Road Asia Sdn. Bhd. ("ORASB") have mutually agreed to extend the conditional period for the fulfilment of the following conditions precedent as stated in the Joint Development Agreement ("JDA") dated 28 April 2021:

- (i) Legal and financial due diligence on the feasibility on the proposed joint development to 31 December 2021; and
- (ii) Conditions precedent to be fulfilled by ORASB for a further period from 27 April 2022 to 30 June 2022.

On 30 June 2022, ORIC and ORASB have mutually agreed to extend the conditional period for fulfilment of the conditions precedent for a further period from 1 July 2022 to 30 December 2022.

Due to ORASB's failure to fulfill the conditions precedent as per the terms of the Joint Development Agreement (JDA) within the extended Conditional Period, ORIC has terminated the JDA on 7 February 2023.

Save for the above, all corporate proposals announced are completed as at the date of this announcement.

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

Unaudited interim report for the financial year ended 31 March 2023**B8. Group Borrowings and Debt Securities**

The Group's borrowings and debt securities as at 31 March 2023 and 31 March 2022 were as follows:

	Type	Weighted average interest rate	Long term RM'000	As at 31 March 2023		Total RM'000
				Short term RM'000		
Secured						
Bank overdrafts	Floating	5.60%	-	1,916		1,916
Revolving credits	Floating	5.22%	20,000	20,000		40,000
Term loans	Floating	5.54%	114,850	23,753		138,603
			<u>134,850</u>	<u>45,668</u>		<u>180,518</u>
	Type	Weighted average interest rate	Long term RM'000	As at 31 March 2022		Total RM'000
Secured						
Bank overdrafts	Floating	4.47%	-	1,021		1,021
Revolving credits	Floating	3.74%	23,000	27,125		50,125
Term loans	Floating	4.41%	141,685	48,241		189,926
			<u>164,685</u>	<u>76,387</u>		<u>241,072</u>

All borrowings are denominated in Ringgit Malaysia.

B9. Trade and other receivables

	As at 31/3/23 RM'000	As at 31/3/22 RM'000
Non-current		
Trade receivables	-	2,500
Other receivables	4,242	4,164
Current		
Trade receivables	69,117	76,859
Less: Impairment losses on trade receivables	(5,648)	(10,171)
	<u>63,469</u>	<u>66,688</u>
Other receivables	81,507	82,066
Less: Impairment losses on other receivables	(75,212)	(557)
	<u>6,295</u>	<u>81,509</u>
Total trade and other receivables	74,006	154,861

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

Unaudited interim report for the financial year ended 31 March 2023

B10. Off Balance Sheet Financial Instruments

There are no financial instruments with off balance sheet risks as at the date of this report.

B11. Material Litigation

As at the date of this report, the Group has the following material litigations:

- (a) TWY Development Sdn. Bhd. ("TWT" or "Defendant"), a wholly-owned subsidiary of SymLife had on 23 August 2018 terminated the services of Top International Engineering (Malaysia) Sdn Bhd ("TIE" or "Plaintiff"), the main contractor appointed for a residential development in Mont Kiara known as TWY Mont' Kiara due to the Plaintiff's default and failure to proceed regularly and/or diligently with the contracted works. Following the termination, TWY had on the same 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 the action; and
- (ii) an interim injunction to restrain TWY from making any further demand under the Bank Guarantee until the final disposal of the action.

On 28 August 2018, TIE obtained an ex-parte interim injunction from the High Court restraining TWY from receiving payment under the Bank Guarantee pending disposal of the 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 sum from the date of the interim injunction until a date to be determined by the High Court; 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 thereafter referred the matter to arbitration.

The arbitration hearing commenced on 19 January 2021 with hearings in the months of February, March and September 2021. The final arbitration hearing date fixed on 8 March 2022 was postponed to 30 May 2022. The arbitration hearing concluded on 30 May 2022. The parties have been directed by the arbitrator to file their respective written submissions on scheduled dates and the award was expected to be published in the first quarter of 2023. To date, the arbitrator has not indicated date of publication of the award.

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

Unaudited interim report for the financial year ended 31 March 2023

- (b) Symphony ORIC Development Sdn. Bhd. ("SODSB"), a wholly-owned subsidiary of SymLife has on 7 February 2023 via the Notice of Termination, terminated the Joint Development Agreement ("JDA") dated 28 April 2021 with Open Road Asia Sdn. Bhd. ("ORA" or "1st Defendant") due to failure by ORA to fulfil the Conditions Precedent as per the terms of the JDA within the extended Conditional Period.

The JDA is for the proposed joint development of residential condominiums provisionally comprising of 906 parcels ("the Proposed Joint Development") to be erected on approximately ten acres of freehold land, which forms part of all that piece of leasehold land held under H.S. (D) 270, P.T. 1446, Mukim of Ulu Melaka, Daerah of Langkawi, Kedah together with a piece of state government land to be alienated measuring approximately 19.95 acres, tentatively known as "Open Road International Circuit and Integrated Resorts" ("ORIC"). Upon execution of the JDA, SODSB has made and paid an aggregate sum of RM75,000,000 as deposit for the proposed Joint Development.

ORA had procured its Directors, Madam Goh Poo Eng (NRIC No. 550406-05-5324) ["2nd Defendant"] and Encik Roslizan bin Nekmat (NRIS No. 660211-01-5557) ["3rd Defendant"] to execute and deliver the Form of Guarantee and Indemnity dated 28 April 2021 in respect of the JDA for the purpose of inter alia, to guarantee the refund of the Deposit from ORA in the event the Conditions Precedent are not fulfilled.

Following the termination, SODSB has on 31 March 2023 filed the Writ of Summons and Statement of Claim at the High Court of Malaya at Shah Alam claiming, amongst others the followings: -

- (a) as against the 1st Defendant, 2nd Defendant and 3rd Defendant, jointly and severally to refund the deposit of RM75,000,000 to SODSB;
- (b) as against the 1st Defendant to compensate SODSB a sum of RM75,000,000 as agreed liquidated damages ("Agreed Liquidated Damages");
- (c) as against the 2nd and 3rd Defendant, to pay the contractual interest rate of 8% per annum on the Deposit commencing from 28 March 2023 up to the date of full settlement/payment of the Deposit;
- (d) as against the 2nd and 3rd Defendant, to pay the judgement interest of 5% per annum on the Deposit from judgement date up to the date of full settlement/payment of the Deposit;
- (e) as against the 1st Defendant to pay the judgement interest on the Deposit and Agreed Liquidated Damages of RM150,000,000 of 5% per annum from judgement date up to the date of full settlement/payment of the sum claimed;
- (f) Cost of the action; and
- (g) Such further and/or other relief as the High Court deems fit and proper to grant.

The case has been fixed for case management on 4 July 2023.

B12. Dividends Proposed

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

SYMPHONY LIFE BERHAD

(Company No. 196401000264 (5572-H))

(Incorporated in Malaysia)

Unaudited interim report for the financial year ended 31 March 2023**B13. Earnings per share**

	Individual quarter ended		Year ended	
	31/3/23 RM'000	31/3/22 RM'000	31/3/23 RM'000	31/3/22 RM'000
(Loss)/Profit for the period/year attributable to the ordinary equity holders of the Company	<u>(63,154)</u>	<u>(2,433)</u>	<u>(72,372)</u>	<u>37,584</u>
Weighted average number of ordinary shares excluding treasury shares and shares held by Employees' Share Trust Scheme ('000)	<u>655,176</u>	<u>655,176</u>	<u>655,176</u>	<u>622,298</u>
Basic earnings per share (sen) for : (Loss)/Profit for the period/year	<u>(9.64)</u>	<u>(0.37)</u>	<u>(11.05)</u>	<u>6.04</u>

The diluted earnings per share is not presented as the Company has no 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: 31 May 2023**