YTL LAND & DEVELOPMENT BERHAD
Company No. 1116-M
Incorporated in Malaysia

Interim Financial Report
31 March 2019

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YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

Interim financial report on consolidated result for the financial period ended 31 March 2019.

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	**Preceding Year Corresponding Quarter**		**9 Months Ended**		
	31.3.2019	**31.3.2018 (restated)**	*Changes*	**31.3.2019**	**31.3.2018 (restated)**	*Changes*
	RM'000	**RM'000**	*(%)*	**RM'000**	**RM'000**	*(%)*
Revenue	53,268	4,976	*970%*	160,116	207,491	*-23%*
Cost of sales	(51,178)	(3,430)		(135,543)	(70,988)	
Gross profit	2,090	1,546	*35%*	24,573	136,503	*-82%*
Other income	2,497	2,696		32,492	10,043	
Selling and distribution expenses	(1,398)	(242)		(2,778)	(1,131)	
Administrative expenses	(11,733)	(15,788)		(31,217)	(33,806)	
Other operating expenses	(7,530)	(9,282)		(7,944)	(17,227)	
Operating (loss)/profit	(16,074)	(21,070)	*24%*	15,126	94,382	*-84%*
Finance costs	(24,316)	(19,898)		(66,593)	(56,566)	
Share of results of a joint venture	(30)	122		525	1,377	
(Loss)/profit before taxation	(40,420)	(40,846)	*1%*	(50,942)	39,193	*-230%*
Taxation	(212)	1,400		(5,212)	(33,393)	
(Loss)/profit for the period	(40,632)	(39,446)	*-3%*	(56,154)	5,800	*-1068%*
<u>Attributable to :</u>						
Owners of the parent	(40,630)	(39,444)	*-3%*	(56,146)	5,808	*-1067%*
Non-controlling interests	(2)	(2)		(8)	(8)	
(Loss)/profit for the period	(40,632)	(39,446)		(56,154)	5,800	
(Loss)/earnings per share						
Basic (sen)	(2.48)	(2.84)		(3.25)	0.86	

The Condensed Consolidated Income Statement should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.3.2019	Preceding Year Corresponding Quarter 31.3.2018 (restated)	9 Months Ended 31.3.2019	9 Months Ended 31.3.2018 (restated)
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit for the period	(40,632)	(39,446)	(56,154)	5,800
Other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent period:				
Foreign currency translation, representing total other comprehensive income/(loss) for the period, net of tax	4,822	(4,170)	(297)	(8,041)
Total comprehensive loss for the period	(35,810)	(43,616)	(56,451)	(2,241)
<u>Attributable to :</u>				
Owners of the parent	(35,808)	(43,614)	(56,443)	(2,233)
Non-controlling interests	(2)	(2)	(8)	(8)
Total comprehensive loss for the period	(35,810)	(43,616)	(56,451)	(2,241)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31.3.2019 RM'000	Restated as at 30.6.2018 RM'000	Restated as at 1.7.2017 RM'000
ASSETS			
Non-current Assets			
Property, plant and equipment	34,939	35,559	36,597
Investment in a joint venture	32,036	49,131	50,908
Investment properties	80,717	49,300	48,100
Land held for property development	676,621	670,448	670,816
Goodwill on consolidation	5,432	5,432	5,432
Deferred tax assets	9,907	10,151	7,721
Trade and other receivables	7,222	7,222	7,296
	846,874	827,243	826,870
Current Assets			
Inventories	1,991,007	2,091,114	49,929
Property development expenditure	453,866	377,064	2,537,023
Trade and other receivables	170,753	71,637	21,143
Other current assets	2,986	2,461	141,967
Income tax assets	11,079	5,447	2,625
Amounts due from related parties	8,998	6,341	18,051
Deposits with licensed banks	57,202	155,326	25,206
Cash and bank balances	26,742	20,825	18,321
	2,722,633	2,730,215	2,814,265
TOTAL ASSETS	3,569,507	3,557,458	3,641,135
EQUITY			
Share capital	599,643	599,643	599,643
Treasury shares, at cost	(22,203)	(22,203)	(22,203)
Accumulated losses	(248,099)	(191,953)	(87,146)
Equity component of ICULS	354,969	354,969	354,969
Foreign currency translation reserve	43,336	43,633	51,000
Equity attributable to owners of the parent	**727,646**	**784,089**	**896,263**
Non-controlling interests	23,314	23,322	23,334
TOTAL EQUITY	750,960	807,411	919,597

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued

	Unaudited as at 31.3.2019 RM'000	Restated as at 30.6.2018 RM'000	Restated as at 1.7.2017 RM'000
LIABILITIES			
Non-current Liabilities			
Borrowings	682,793	2,221,403	1,991,814
Deferred tax liabilities	37,337	37,940	52,163
	720,130	2,259,343	2,043,977
Current Liabilities			
Trade and other payables	15,242	30,768	33,976
Other current liabilities	151,182	74,531	82,869
Borrowings	1,626,363	63,666	224,932
Provision	10,216	11,831	9,527
Amounts due to related parties	295,267	302,678	324,030
Income tax payable	147	7,230	2,227
	2,098,417	490,704	677,561
TOTAL LIABILITIES	2,818,547	2,750,047	2,721,538
TOTAL EQUITY AND LIABILITIES	3,569,507	3,557,458	3,641,135
Net assets per share (RM)	0.88	0.95	1.08

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	<---------------- Attributable to owners of the parent				---------------------->			
	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Equity Component of ICULS RM'000	Foreign Currency Translation Reserve RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 July 2018 (as previously reported)	**599,643**	**(22,203)**	**(200,665)**	**354,969**	**43,633**	**775,377**	**23,322**	**798,699**
Effect of first-time MFRS adoption	-	-	8,712	-	-	8,712	-	8,712
As at 1 July 2018 (restated)	**599,643**	**(22,203)**	**(191,953)**	**354,969**	**43,633**	**784,089**	**23,322**	**807,411**
Loss for the period	-	-	(56,146)	-	-	(56,146)	(8)	(56,154)
Other comprehensive loss for the period	-	-	-	-	(297)	(297)	-	(297)
Total comprehensive loss for the period	-	-	(56,146)	-	(297)	(56,443)	(8)	(56,451)
As at 31 March 2019	**599,643**	**(22,203)**	**(248,099)**	**354,969**	**43,336**	**727,646**	**23,314**	**750,960**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018

	<------------------ Attributable to owners of the parent				--------------------->			
	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Equity Component of ICULS RM'000	Foreign Currency Translation Reserve RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 July 2017 (as previously reported)	**599,643**	**(22,203)**	**(126,286)**	**354,969**	**51,000**	**857,123**	**23,334**	**880,457**
Effect of first-time MFRS adoption	-	-	39,140	-	-	39,140	-	39,140
As at 1 July 2017 (restated)	**599,643**	**(22,203)**	**(87,146)**	**354,969**	**51,000**	**896,263**	**23,334**	**919,597**
Profit/(loss) for the period	-	-	5,808	-	-	5,808	(8)	5,800
Other comprehensive loss for the period	-	-	-	-	(8,041)	(8,041)	-	(8,041)
Total comprehensive income/(loss) for the period	-	-	5,808	-	(8,041)	(2,233)	(8)	(2,241)
As at 31 March 2018 (restated)	**599,643**	**(22,203)**	**(81,338)**	**354,969**	**42,959**	**894,030**	**23,326**	**917,356**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

YTL LAND & DEVELOPMENT BERHAD (Company No. 1116-M)
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INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	9 months ended	
	31.3.2019	**31.3.2018 (restated)**
	RM'000	**RM'000**
Cash flows from operating activities		
(Loss)/profit before taxation	(50,942)	39,193
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	664	620
Interest expenses	66,593	56,566
Interest income	(3,292)	(3,121)
Gain on disposal of property, plant and equipment	(6)	-
Gain from fair value adjustment of investment properties	(12,035)	-
Reversal of accrual	(19)	(68)
Unrealised (gain)/loss on foreign exchange	(5,271)	16,596
Bad debts recovered	-	(1)
Bad debts written off	20	-
Reversal of impairment loss on trade and other receivable	(64)	-
Impairment loss on trade receivables	-	9
Share of results of a joint venture	(525)	(1,377)
Operating cash flows before working capital changes	(4,877)	108,417
Net changes in current assets	(56,874)	2,150
Net changes in current liabilities	59,215	11,839
Net changes in inter-company balances	(11,139)	(5,696)
Cash (used in)/from operations	(13,675)	116,710
Income tax paid	(18,286)	(14,763)
Net cash (used in)/from operating activities	(31,961)	101,947
Cash flows from investing activities		
Interest received	3,292	3,121
Land held for property development	(6,174)	(33,984)
Purchase of property, plant and equipment	(44)	(26)
Proceeds from disposal of property, plant and equipment	6	-
Dividend income received from a joint venture	17,620	-
Net cash from/(used in) investing activities	14,700	(30,889)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 - continued

	9 months ended	
	31.3.2019	**31.3.2018 (restated)**
	RM'000	**RM'000**
Cash flows from financing activities		
Interest paid	(78,570)	(67,842)
Net repayments of hire purchase payables	(90)	(343)
Placement of debt service reserve account fund placed with licensed bank not available for use	(1,110)	(152,154)
Net drawdown of borrowings	3,711	138,153
Net cash used in financing activities	(76,059)	(82,186)
Net changes in cash and cash equivalents	**(93,320)**	**(11,128)**
Effect of exchange rate changes on cash and cash equivalents	3	(8,364)
Cash and cash equivalents at beginning of the financial period	170,544	42,027
Cash and cash equivalents at end of the financial period	**77,227**	**22,535**
Cash and cash equivalents comprise:		
Deposits with licensed banks	57,202	153,654
Cash and bank balances	26,742	22,535
	83,944	176,189
Less : Cash and bank balances not available for use	(6,717)	(153,654)
	77,227	**22,535**

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited annual financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements

INTERIM FINANCIAL REPORT

Disclosure requirement per MFRS 134 – paragraph 16

The condensed consolidated interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 30 June 2018.

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 Chapter 9, part K paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

Since the previous annual audited financial statements as at 30 June 2018 were issued, the Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB"). This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. The effects on the adoption of MFRS framework are described in Note A2 below.

A2. Changes in Accounting Policies and Methods of Computation

The interim financial report of the Group for the current quarter ended 31 March 2019 is the third interim financial report prepared in accordance with MFRS Framework, including MFRS 1 "First-time Adoption of MFRS". Subject to certain transition elections and effects of adoption of MFRS 9 "Financial Instruments" and MFRS 15 "Revenue from contracts with customers" as disclosed below, the Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 July 2017, being the transition date, and throughout all periods presented, as if these policies had always been in effect.

The effects on the adoption of MFRS framework are as follows:

<u>MFRS 9 : Financial Instruments ("MFRS 9")</u>

MFRS 9 replaces the guidance in FRS 139 Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, impairment of financial assets and on hedge accounting.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristic. The key effect of the adoption of this standard on the Group would principally be in respect of the assessment of impairment losses of outstanding external and internal debts based on an "expected credit loss" model. This may have the effect of accelerating the recognition of impairment losses in respect of these debts if any.

The Group has assessed the impact of the adoption of MFRS 9 and concluded that the adoption does not have any significant impact to the financial performance or position of the Group.

A2. Changes in Accounting Policies and Methods of Computation (cont'd)

<u>MFRS 15 : Revenue from Contracts with Customers ("MFRS 15")</u>

MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 supersede the revenue recognition guidance including MFRS 118 : Revenue, MFRS 111 : Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer in substance obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the level of completion in proportion of cost incurred to date against the expected total construction costs.

The Group adopts the new standards on the required effective date using the full retrospective method. The affected areas upon the application of the new standards are as follow:

(i) <u>Multiple promises from the sale of development properties</u>

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. Currently, the Group account for the bundled sales as one deliverable and recognises revenue over time. Under MFRS 15, revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. The sale of development properties and the multiple promises are separate deliverables of bundled sales. The transaction price will be allocated to each performance obligation based on the standalone selling prices. If these are not directly observable, they are estimated based on expected cost plus margin.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

A2. Changes in Accounting Policies and Methods of Computation (cont'd)

MFRS 15 : Revenue from Contracts with Customers ("MFRS 15") (cont'd)

The Group adopts the new standards on the required effective date using the full retrospective method. The affected areas upon the application of the new standards are as follow (cont'd):

(ii) Cost incurred in fulfilling a contract

Under the current standards, the Group expensed off sales commissions and legal fees of sales and purchase agreement ("SPA") as these costs do not qualify for recognition as an asset under any of the other accounting standards. However, the sales commissions and legal fees of SPA relate directly to contracts and are expected to be recovered through future fees for the services to be provided. Accordingly, under MFRS 15, these costs will be eligible for capitalisation and recognised as property development costs and contract sales respectively.

(iii) Recognition of provision for foreseeable losses for low cost housing

Under the current standards, the Group recognised upfront the provision for foreseeable losses for anticipated losses to be incurred on the development of involuntary low cost housing as required by approving authorities. The application of the above is in accordance to FRSIC Consensus 17 : Development of Affordable Housing ("FRSIC 17") issued by Malaysia Institute of Accountants ("MIA").

MFRS 15 requires the accounting to be done on a contract basis. On 7 March 2018, MIA has withdrawn FRSIC 17 and stated that FRSIC 17 is no longer relevant for the adoption of MFRS framework. This has resulted in the retrospective reversal of the provision for affordable housing previously provided for in the financial statements of the Group.

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Notes : continued

A2. Changes in Accounting Policies and Methods of Computation (cont'd)

The financial impacts to the interim financial statements of the Group arising from the adoption of MFRS are disclosed in the following tables:

(i) Condensed Consolidated Income Statement

	Individual Quarter 31.3.2018			**Cumulative Quarter 31.3.2018**		
	As previously reported RM'000	**Adoption of MFRS RM'000**	**Restated RM'000**	**As previously reported RM'000**	**Adoption of MFRS RM'000**	**Restated RM'000**
Revenue	4,954	22	4,976	214,083	(6,592)	207,491
Cost of sales	(1,133)	(2,297)	(3,430)	(71,978)	990	(70,988)
Gross profit	3,821	(2,275)	1,546	142,105	(5,602)	136,503
Other income	3,152	(456)	2,696	11,166	(1,123)	10,043
Selling and distribution expenses	(1,009)	767	(242)	(7,403)	6,272	(1,131)
Administrative expenses	(15,989)	201	(15,788)	(34,293)	487	(33,806)
Other operating expenses	(9,282)	-	(9,282)	(17,227)	-	(17,227)
Operating (loss)/profit	(19,307)	(1,763)	(21,070)	94,348	34	94,382
Finance costs	(19,898)	-	(19,898)	(56,566)	-	(56,566)
Share of results of a joint venture	4	118	122	1,090	287	1,377
(Loss)/profit before taxation	(39,201)	(1,645)	(40,846)	38,872	321	39,193
Taxation	1,729	(329)	1,400	(31,839)	(1,554)	(33,393)
(Loss)/profit for the period	(37,472)	(1,974)	(39,446)	7,033	(1,233)	5,800
Attributable to :						
Owners of the parent	(37,470)	(1,974)	(39,444)	7,041	(1,233)	5,808
Non-controlling interests	(2)	-	(2)	(8)	-	(8)
(Loss)/profit for the period	(37,472)	(1,974)	(39,446)	7,033	(1,233)	5,800
(Loss)/earnings per share						
Basic (sen)	(2.69)	(0.15)	(2.84)	0.95	(0.09)	0.86

Notes : continued

A2. Changes in Accounting Policies and Methods of Computation (cont'd)

(ii) Condensed Consolidated Statement of Comprehensive Income

	Individual Quarter			Cumulative Quarter		
	31.3.2018			31.3.2018		
	As previously reported RM'000	Adoption of MFRS RM'000	Restated RM'000	As previously reported RM'000	Adoption of MFRS RM'000	Restated RM'000
(Loss)/profit for the period	(37,472)	(1,974)	(39,446)	7,033	(1,233)	5,800
Other comprehensive loss to be reclassified to profit or loss in subsequent period:						
Foreign currency translation, representing total other comprehensive loss for the period, net of tax	(4,170)	-	(4,170)	(8,041)	-	(8,041)
Total comprehensive loss for the period	(41,642)	(1,974)	(43,616)	(1,008)	(1,233)	(2,241)
Attributable to :						
Owners of the parent	(41,640)	(1,974)	(43,614)	(1,000)	(1,233)	(2,233)
Non-controlling interests	(2)	-	(2)	(8)	-	(8)
Total comprehensive loss for the period	(41,642)	(1,974)	(43,616)	(1,008)	(1,233)	(2,241)

A2. Changes in Accounting Policies and Methods of Computation (cont'd)

(iii) Condensed Consolidated Statement of Financial Position

	Audited as at 30.6.2018 RM'000	Adoption of MFRS RM'000	Restated as at 30.6.2018 RM'000	Audited as at 1.7.2017 RM'000	Adoption of MFRS RM'000	Restated as at 1.7.2017 RM'000
Non-current Assets						
Investment in a joint venture	49,052	79	49,131	48,636	2,272	50,908
Land held for property development	704,474	(34,026)	670,448	704,843	(34,027)	670,816
Deferred tax assets	10,060	91	10,151	9,232	(1,511)	7,721
Current Assets						
Inventories	2,086,542	4,572	2,091,114	49,929	-	49,929
Property development expenditure	377,064	-	377,064	2,492,479	44,544	2,537,023
Other current assets	2,319	142	2,461	144,919	(2,952)	141,967
Equity						
Accumulated losses	(200,665)	8,712	(191,953)	(126,286)	39,140	(87,146)
Non-current Liabilities						
Provision	7,077	(7,077)	-	7,077	(7,077)	-
Deferred tax liabilities	37,112	828	37,940	42,062	10,101	52,163
Current Liabilities						
Other current liabilities	72,881	1,650	74,531	83,452	(583)	82,869
Provision	45,086	(33,255)	11,831	42,782	(33,255)	9,527
Net assets per share (RM)	0.94	0.01	0.95	1.03	0.05	1.08

A3. Seasonality or Cyclicality of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factor.

A4. Disaggregation of revenue

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	9 Months Ended	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018
	RM'000	RM'000 (restated)	RM'000	RM'000 (restated)
Sale of properties under development	6,141	3,914	14,292	67,099
Sale of completed properties	46,501	627	135,164	5,282
Sale of land held for property development	-	-	9,050	133,874
Rendering of services	626	435	1,610	1,236
	53,268	4,976	160,116	207,491

A5. Exceptional or Unusual Items

During the current financial quarter, there was no item of an exceptional or unusual nature that affects the assets, liabilities, equity, net income or cash flows of the Group.

A6. Changes in Estimates of Amounts Reported

There was no significant change in estimates of amount reported in prior interim periods or prior financial years.

A7. Changes in Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current financial quarter.

As at 31 March 2019, the total number of treasury shares held was 15,175,500 ordinary shares.

The outstanding debts are disclosed in Note B11.

A8. Dividend Paid

There was no dividend paid during the current financial quarter ended 31 March 2019.

A9. Segment Information

No segment information is prepared as the Group's activities are predominantly in one industry segment.

A10. Subsequent Events

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

A11. Changes in the Composition of the Group

There were no significant changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing of operations during the current financial period.

A12. Changes in Contingent Liabilities

There was no significant change in the contingent liabilities of the Group since the last financial year ended 30 June 2018.

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Disclosure requirement per Part A of Appendix 9B of Main Market Listing Requirements of Bursa Securities

B1. Review of Performance

Current quarter review
The Group recorded revenue of RM53.268 million and loss before taxation of RM40.420 million in the current financial quarter, compared to revenue of RM4.976 million and loss before taxation of RM40.846 million recorded in the preceding year corresponding financial quarter ended 31 March 2018.

The higher Group revenue and marginal improvement in loss before taxation were mainly attributable to the sale of completed properties of the 3 Orchard By-The-Park and The Fennel projects undertaken by YTL Westwood Properties Pte Ltd ("YTL Westwood") and Sentul Raya Sdn Bhd ("SRSB"), respectively.

Financial year-to-date review
For the current financial period under review, the Group recorded revenue of RM160.116 million and loss before taxation of RM50.942 million in the current financial period, compared to revenue of RM73.617 million and loss before taxation of RM81.537 million (after adjusting for the one-off revenue of RM133.874 million and gain of RM120.730 million from land disposal by Udapakat Bina Sdn Bhd following the acquisition by Pentadbir Tanah Kuala Lumpur for Mass Rapid Transit project) recorded in the preceding year corresponding financial period.

This represents higher revenue of 117% and improvement in loss before taxation of 38%, respectively, mainly due to the sale of completed properties as highlighted above and higher unrealized gain recorded by the Company following the strengthening of SGD in the current financial period as compared to preceding year corresponding financial period.

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Notes : continued

B2. Comparison with Preceding Quarter

	Current Quarter 31.3.2019 RM'000	**Preceding Quarter 31.12.2018 RM'000**	*Variance (%)*
Revenue	53,268	72,391	*-26%*
Loss before taxation	(40,420)	(19,695)	*-105%*
Loss attributable to owners of the parent	(40,630)	(19,393)	*-110%*

The Group recorded revenue of RM53.268 million and loss before taxation of RM40.420 million in the current financial quarter, compared to revenue of RM72.391 million and loss before taxation of RM19.695 million recorded in the preceding financial quarter.

The lower Group revenue and higher loss before taxation were mainly attributable to the lower sale of completed properties of the 3 Orchard By-The-Park project undertaken by YTL Westwood and lower unrealised gain on foreign exchange on amounts due from Singapore subsidiaries recorded by the Company following the weakening of SGD in the current financial quarter as compared to preceding financial quarter.

B3. Audit Report of preceding financial year ended 30 June 2018

The Auditors' Report on the financial statements of the financial year ended 30 June 2018 did not contain any qualification.

B4. Prospects

Notwithstanding the challenging property market conditions both in Malaysia and Singapore, the Group will continue to embark on marketing efforts and initiatives to unlock sales. The Group is expected to achieve satisfactory performance for the financial year ending 2019 through the Group's unbilled sales and inventories.

B5. Profit Forecast

The Group did not issue any profit forecast or profit guarantee during the current financial quarter.

B6. Profit for the period

Profit for the period is stated after charging/(crediting):

	Current Quarter 31.3.2019 RM'000	Current Year To Date 31.3.2019 RM'000
Depreciation of property, plant and equipment	249	664
Interest expense	24,316	66,593
Interest income	(763)	(3,292)
Gain on disposal of property, plant and equipment	-	(6)
Gain from fair value adjustment of investment properties	-	(12,035)
Reversal of accruals	-	(19)
Unrealised loss/(gain) on foreign exchange	7,260	(5,271)
Bad debts written off	20	20
Reversal of impairment loss on trade and other receivable	(16)	(64)

Other than the above items, there were no other investment income, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain or loss on derivatives and exceptional items for the current financial period.

B7. Taxation

Taxation comprise the following:-

	Current Quarter 31.3.2019 RM'000	Current Period To Date 31.3.2019 RM'000
Income tax:		
- Current period	(433)	4,891
- Prior period	680	680
Deferred tax	(35)	(359)
	212	5,212

The Group provision for taxation for the financial period ended 31 March 2019 reflected a higher effective tax rate compared to the statutory tax rate, mainly due to non-tax deductibility of certain expenses and losses incurred by the Company and certain subsidiaries.

B8. Corporate Development

There was no corporate proposal announced and pending completion at the date of this report.

B9. Material Litigation

There were no material litigations during the quarter under review.

B10. Dividend

No dividend has been declared for the current financial quarter.

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B11. Group Borrowings and Debt Securities

The Group's borrowings and debt securities as at the end of the financial period are as follows:-

	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
Secured:			
Term loans	384,358	1,161,832	1,546,190
Revolving credit	160,000	20,000	180,000
	544,358	1,181,832	1,726,190
Unsecured:			
ICULS*	54,702	24,703	79,405
Term loans	83,733	419,828	503,561
	138,435	444,531	582,966
	682,793	1,626,363	2,309,156

** Irredeemable Convertible Unsecured Loan Stock ("ICULS")*

The above borrowings denominated in foreign currency as follows:

	Long Term	
	SGD'000	RM'000
Secured:		
Term loans	376,547	1,133,331
	376,547	1,133,331
Unsecured:		
Term loans	139,487	419,828
	139,487	419,828
	516,034	1,553,159

SGD1 : RM3.0098

Notes : continued

B12. Loss Per Share

- **Basic loss per share**

The basic loss per share of the Group has been computed by dividing the loss attributable to owners of the parent for the financial quarter by the weighted average number of ordinary shares in issue during the financial quarter, excluding treasury shares held by the Company, assuming the full conversion of 991,786,363 (2018: 991,786,363) ICULS into ordinary shares at a conversion price of RM0.66 (2018: RM0.99) per share.

	Individual Quarter	
	Current Quarter	**Preceding Year Corresponding Quarter (restated)**
	31.3.2019	**31.3.2018**
Loss attributable to owners of the parent (RM'000)	(40,630)	(39,444)
Interest expense on ICULS (RM'000)	1,428	1,710
Loss attributable to owners of the parent including assumed conversion (RM'000)	(39,202)	(37,734)
Weighted average number of ordinary shares ('000)	829,169	829,169
Adjustment for assumed conversion of ICULS ('000)	751,353	500,902
Adjusted weighted average number of ordinary shares ('000)	1,580,522	1,330,071
Basic loss per share (sen)	(2.48)	(2.84)

By Order of the Board
HO SAY KENG
Secretary

Kuala Lumpur
Dated : 31 May 2019