



YNH PROPERTY BHD
(Incorporated in Malaysia)

(561986-V)

Interim Financial Statements
30 September 2023

YNH PROPERTY BHD
(Incorporated in Malaysia)

**Condensed Consolidated Profit or Loss and Other Comprehensive Income
For the Three Months Period Ended 30 September 2023**

	Note	3 months ended		3 months ended	
		30.09.2023 RM	30.09.2022 RM	30.09.2023 RM	30.09.2022 RM
Revenue		62,740,197	52,836,900	62,740,197	52,836,900
Cost of sales		(46,426,211)	(29,352,258)	(46,426,211)	(29,352,258)
Gross profit		16,313,986	23,484,642	16,313,986	23,484,642
Other income		11,193,171	23,534,671	11,193,171	23,534,671
Administrative expenses		(12,788,447)	(8,076,669)	(12,788,447)	(8,076,669)
Selling and marketing expenses		(1,067,908)	(2,228,928)	(1,067,908)	(2,228,928)
Other operating expenses		(4,528,524)	(14,301,066)	(4,528,524)	(14,301,066)
		(18,384,879)	(24,606,663)	(18,384,879)	(24,606,663)
Profit from operations		9,122,278	22,412,650	9,122,278	22,412,650
Finance costs	17	(11,052,192)	(19,471,034)	(11,052,192)	(19,471,034)
(Loss)/Profit before tax		(1,929,914)	2,941,616	(1,929,914)	2,941,616
Income tax expense	18	(2,250,000)	745,801	(2,250,000)	745,801
(Loss)/Profit for the period		(4,179,914)	3,687,417	(4,179,914)	3,687,417
Other comprehensive income					
-Foreign currency translation difference		132	(154,994)	132	(154,994)
Total comprehensive income for the period		(4,179,782)	3,532,423	(4,179,782)	3,532,423
Loss per share (sen)					
Basic	25 (a)	(1.93)	(0.42)	(1.93)	(0.42)
Diluted	25 (b)	(1.93)	(0.42)	(1.93)	(0.42)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the financial statements.

YNH PROPERTY BHD

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position
As at 30 September 2023**

	Note	As at 30.09.2023 RM	As at 30.06.2023 RM
NON-CURRENT ASSETS			
Property, plant and equipment	8	94,109,987	94,982,568
Right of use		38,864,442	38,548,067
Deferred tax assets		114,077,831	116,014,561
Investment properties		144,462,496	144,792,782
Goodwill on consolidation		17,626,036	17,626,036
Inventories		1,030,489,798	1,018,834,297
		<u>1,439,630,590</u>	<u>1,430,798,311</u>
CURRENT ASSETS			
Inventories		764,094,785	791,627,532
Trade and other receivables	9(a)	93,569,604	72,746,485
Other current assets		15,035,858	5,697,485
Assets held for sales		140,917,569	141,717,243
Current tax assets		2,446,647	2,091,080
Cash and short term deposits		16,960,180	37,284,256
		<u>1,033,024,643</u>	<u>1,051,164,081</u>
TOTAL ASSETS		<u>2,472,655,233</u>	<u>2,481,962,392</u>

Condensed Consolidated Statement of Financial Position as at 30 September 2023
(Contd.)

	Note	As at 30.09.2023 RM	As at 30.06.2023 RM
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		528,999,579	528,999,579
Perpetual securities		345,915,827	345,915,827
Treasury shares		(970,157)	(970,157)
Other reserves		26,530,570	26,530,438
Retained earnings		276,628,171	292,713,385
Total equity		<u>1,177,103,990</u>	<u>1,193,189,072</u>
Non-Current Liabilities			
Deferred tax liabilities		22,755,400	24,430,161
Long term liabilities	20	<u>379,926,064</u>	<u>383,147,472</u>
		<u>402,681,464</u>	<u>407,577,633</u>
CURRENT LIABILITIES			
Trade and other payables		212,167,724	228,753,530
Contract liabilities		80,224,927	45,511,180
Provisions	22	120,500	135,379
Borrowings	20	523,337,560	525,978,991
Lease liabilities		152,144	4,153,007
Current tax liabilities		76,866,924	76,663,600
		<u>892,869,779</u>	<u>881,195,687</u>
TOTAL LIABILITIES		<u>1,295,551,243</u>	<u>1,288,773,320</u>
TOTAL EQUITY AND LIABILITIES		<u>2,472,655,233</u>	<u>2,481,962,392</u>
NTA per share (RM)		<u>2.19</u>	<u>2.22</u>
Net asset per share (RM)		<u>2.23</u>	<u>2.26</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the financial statements.

YNH PROPERTY BHD
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity
For the financial Period Ended 30 September 2023

	Attributable to Equity Holders of the Company						Total RM
	Share capital RM	Perpetual capital securities RM	Translation Reserve RM	Capital Reserve RM	Treasury Shares RM	Retained profits RM	
Opening balance at 1 January 2022	528,999,579	345,915,827	4,543,839	26,578,054	(970,157)	324,993,475	1,230,060,617
<u>Comprehensive income</u>							
Profit for the year	-	-	-	-	-	3,682,219	3,682,219
Issued during the year	-	-	-	-	-	-	-
<u>Other comprehensive income</u>							
-Foreign currency translation difference	-	-	(4,591,455)	-	-	-	(4,591,455)
-Coupon payment	-	-	-	-	-	(35,962,309)	(35,962,309)
Closing balance at 30 June 2023	528,999,579	345,915,827	(47,616)	26,578,054	(970,157)	292,713,385	1,193,189,072
Opening balance at 1 July 2023	528,999,579	345,915,827	(47,616)	26,578,054	(970,157)	292,713,385	1,193,189,072
<u>Comprehensive income</u>							
(Loss)/Profit for the year	-	-	-	-	-	(4,179,914)	(4,179,914)
<u>Other comprehensive income</u>							
Foreign currency translation difference	-	-	132	-	-	-	132
Coupon payment	-	-	-	-	-	(11,905,300)	(11,905,300)
Closing balance at 30 September 2023	528,999,579	345,915,827	(47,484)	26,578,054	(970,157)	276,628,171	1,177,103,990

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the financial statements.

YNH PROPERTY BHD
(Incorporated in Malaysia)

Condensed Consolidated Statement of Cash Flow
For the financial Period Ended 30 September 2023

	3 months ended 30.09.2023 RM	18 months ended 30.06.2023 RM
Profit before taxation	<u>(1,929,914)</u>	<u>20,416,799</u>
Net cash from operating activities	14,435,782	(4,532,620)
Net cash used in investing activities	(16,991,723)	(47,277,798)
Net cash (used in)/from financing activities	<u>(15,759,527)</u>	<u>67,240,371</u>
Net increase/(decrease) in cash and cash equivalents	(18,315,468)	15,429,953
Cash and cash equivalents at beginning of financial period	(6,067,336)	(21,497,289)
Cash and cash equivalents at end of financial period	<u>(24,382,804)</u>	<u>(6,067,336)</u>

Cash and cash equivalents at end of financial period comprise the following:

Fixed deposits	527,054	527,054
Less: pledged fixed deposits	(527,054)	(527,054)
	-	-
* Cash and bank balances	31,139,904	33,620,785
Bank overdraft (included within borrowings in Note 20)	(48,736,110)	(55,118,074)
	<u>(17,596,206)</u>	<u>(21,497,289)</u>

- * Included in cash at banks of the Group are amounts of RM650,452 held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

1. BASIS OF PREPARATION

The quarterly condensed financial report has been prepared in accordance with:

- (i) The requirement of the Malaysian Financial Reporting Standards ("MFRS") Standard 134: Interim Financial Reporting; and
- (ii) Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and should be read in conjunction with the audited annual financial statements for the year ended 30 June 2023 and the accompanying explanatory notes attached to the quarterly condensed financial report. These explanatory notes attached to the quarterly condensed financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2023. The significant accounting policies adopted for the quarterly condensed financial report are consistent with those of the audited financial statements for the financial year ended 30 June 2023.

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 30 June 2023 was qualified.

As disclosed in Note 8(iv) to the audited financial statements ended 30 June 2023, included in inventories of the Group are amounts of RM1,100,210,470 paid in respect of joint venture and turnkey contracts entered into with the joint venture parties or landowners for property development work. These amounts pertain to joint venture and turnkey contracts entered into with joint venture parties or landowners for development work. The land cost is subject to the agreed entitlement provided in the contract with the joint venture partners or landowners.

During the financial period, the Group was subject to queries and investigations by regulatory authorities regarding these joint venture and turnkey contracts entered by the Group.

At the date of authorisation of previous financial statements ended 30 June 2023, the outcomes of the regulatory authorities' investigation remain unknown, and the special review undertaken by the Group has not been completed.

Therefore, given the prevailing ongoing regulatory authorities' investigations and the Group's special review which have not been completed, the auditors could not obtain sufficient appropriate audit evidence that the joint venture and turnkey contracts entered into with the respective joint venture parties or landowners are not related party transactions, and on the value of these inventories as at 30 June 2023 and the related disclosures. Consequently, the auditors were unable to determine whether any adjustments to the financial statements were necessary.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not materially affected by seasonal or cyclical factors.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items due to their nature, size or incidence affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 September 2023 except as disclosed in Note 10 of the interim financial statements.

5. CHANGES IN ESTIMATES

The Group has not submitted any financial forecast or projections to any authority during the current quarter and prior financial year ended 30 September 2023. There were no changes in estimates that have had a material effect in the current quarter results.

6. CAPITAL MANAGEMENT, DEBT AND EQUITY SECURITIES

Details of the movement of debt and equity securities during the financial period ended 30 September 2023 are as follows:

(a) Treasury Shares

There is no purchase of treasury shares during the current quarter of the financial period ended 30 September 2023. Total treasury shares repurchased cumulatively as at 30 September 2023 is 512,512 ordinary shares, representing a cumulative 0.10% of the total paid up share capital of the company as at 30 September 2023. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016. There is no repurchase of treasury share subsequent to the interim financial period ended 30 September 2023.

(b) Capital Management

The Group's objectives of managing capital are to safeguard the group's ability to continue in operation as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For capital management purposes, the Group consider shareholders' equity to be the key component in the Group's capital structure. The Group monitors capital based on gearing ratio. The ratio is calculated on total debts divided by total equity. The Group's strategy is to maintain a gearing ratio below 100%.

YNH PROPERTY BHD
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

6. CAPITAL MANAGEMENT, DEBT AND EQUITY SECURITIES (Contd.)

(b) Capital Management (Contd.)

The gearing ratio as at 30 September 2023, are as follows:

	30.09.2023	30.06.2023
	RM	RM
Total borrowing	903,263,624	909,126,463
Lease liabilities	152,144	4,153,007
Trade and other payables	212,167,724	228,753,530
Net debts	<u>1,115,583,492</u>	<u>1,142,033,000</u>
Equity attributable to the owners of parents	<u>1,177,103,990</u>	<u>1,193,189,072</u>
Gearing ratio	<u>95%</u>	<u>96%</u>

The details of the issuance and repayment of debts and equity instrument in the current quarter ended 30 September 2023 are as follows:

	30.09.2023
	RM
Repayment of revolving credit	(1,500,000)
Coupon payment	(11,905,300)
Term loan repayment	(2,354,227)

7. DIVIDEND PAID

No dividend was paid for the financial period ended 30 September 2023.

8. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 30 September 2023.

YNH PROPERTY BHD

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023**9(a). TRADE AND OTHER RECEIVABLES**

	As at 30.09.2023	As at 31.12.2021
	RM	RM
Trade receivables	81,468,527	68,921,423
Less: Provision for impairment	(10,195,923)	(10,195,923)
	<u>71,272,604</u>	<u>58,725,500</u>
Other receivables	22,297,000	14,020,985
	<u>93,569,604</u>	<u>72,746,485</u>

Trade receivables are generally on credit terms ranging from 14 days to 180 days. Credit terms for the sales of commercial properties range from 14 days to 270 days.

Included in trade receivables are:

- (i) an amount of RM1,010,000 owing by certain directors of the Company
- (ii) an amount of RM 4,958,738 owing by persons related to directors

The amounts owing by directors and persons related to directors are in respect of purchase of properties from the Group and is under normal credit terms granted to customers.

10. STATUS OF CORPORATE PROPOSAL

- (a) The Board of Directors of YNH Property Berhad (“YNH” or “Company”) wishes to announce that the Company proposes to undertake a debt financing exercise via a proposed asset-backed securitisation which will involve, among others, the disposal of the following properties by its wholly-owned subsidiaries (“Properties”) to a special purpose vehicle:

(i) a retail shopping mall known as “163 Retail Park” bearing the address No. 8, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Wilayah Persekutuan and erected on the freehold land held under title bearing particulars Geran Mukim 8842, Lot 67384, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL by D’Kiara Place Sdn Bhd; and

(ii) a two-storey retail shopping mall known as “AEON Seri Manjung”, bearing the address AEON Seri Manjung Store & Shopping Centre, Pusat Perniagaan Manjung Point 3, 32040 Seri Manjung, Perak Darul Ridzuan and erected on freehold land held under title bearing particulars H.S.(D) 34532, PT 15074, Mukim Lumut, Daerah Manjung, Negeri Perak by YNH Hospitality Sdn Bhd,

YNH PROPERTY BHD

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

10. STATUS OF CORPORATE PROPOSAL (contd.)

The total consideration for the Proposed Disposal is intended to be satisfied by the purchaser from proceeds received from its issuance of medium term notes under a proposed asset-backed medium term notes programme of up to RM500.0 million in nominal value ("**Proposed ABS Issue**"). The date of the Extra-ordinary Meeting is set at 1st March 2023.

The Proposed Disposal and Proposed ABS Issue are intended to, amongst others, enable YNH to realise immediate net cash proceeds for use in its group business and operations. The Proposed Disposal is also subject to approvals being obtained from, amongst others, the shareholders of the Company, Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any other relevant authorities (if required).

- (b) The Company has on 16 May 2023, announce that Kar Sin Berhad ("**Vendor**"), a wholly-owned subsidiary of YNH entered into a Sale and Purchase Agreement ("**SPA**") with

Imbuhan Sempurna Sdn. Bhd., the Registered Proprietor;
Great Wall Park Sdn. Bhd., the First Beneficial Owner;
Sunway Living Space Sdn Bhd, the Purchaser

for the proposed disposal of all that freehold vacant land held under the individual title H.S.(D) 47941 P.T. 48632 in the Mukim of Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 20,630.474 square meters (approximately 5.098 acres) for a total consideration of RM170.00 million only. The disposal agreement also contains an additional consideration in which the Company will receive an additional RM50 million if YNH successfully obtains a New Development Order (NDO) within one year from the date of the SPA. The NDO would include the approval by the relevant authorities for a development with a minimum plot ratio of seven (7) on the net land area.

YNH , the Vendor and Sunway Living Space Sdn Bhd, the Purchaser had on 10 August 2023 mutually agreed to extend the Conditional Period (as defined in the Sale and Purchase Agreement dated 12 May 2023) for a further two (2) months, thereby extending the last day of the Conditional Period to 12 October 2023.

The Board of Directors of YNH wishes to announce that Kar Sin Berhad ("the Vendor") had on 10 November 2023 executed a Supplemental Agreement in respect of the Sale and Purchase Agreement dated 12 May 2023 ("**Supplemental SPA**") with the following parties to vary certain terms and conditions of the SPA including a further extension of the Conditional Period (herein referred to as "**3rd Extension of Time**") in relation to the Proposed Disposal.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

11. CHANGES IN COMPOSITION OF THE GROUP

There is no change in the composition of the Group since the last financial year until the date of this interim report.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There is no contingent liabilities and contingent assets for the period ended 30 September 2023 and the date of this interim financial report.

13. CAPITAL COMMITMENTS

There is no capital commitment as at 30 September 2023.

14. PERFORMANCE REVIEW

	3 months ended		changes		3 months ended		changes	
	30.09.2023	30.09.2022	RM	%	30.09.2023	30.09.2022	RM	%
	RM	RM			RM	RM		
Revenue	62,740,197	52,836,900	9,903,297	19%	62,740,197	52,836,900	9,903,297	19%
(Loss)/Profit from operations	9,122,278	22,412,650	(13,290,372)	-59%	9,122,278	22,412,650	(13,290,372)	-59%
(Loss)/Profit before tax	(1,929,914)	2,941,616	(4,871,530)	-166%	(1,929,914)	2,941,616	(4,871,530)	-166%
(Loss)/ Profit for the period	(4,179,914)	3,687,417	(7,867,331)	-213%	(4,179,914)	3,687,417	(7,867,331)	-213%

The Group's cumulative turnover for the current financial period ended 30 September 2023 is recorded at RM62,740,197 . The Group recorded a loss before taxation of RM 1,929,914 the three months period ended 30 September 2023. Profit for the current financial year mainly derive from progressive profit recognition from Solasta Dutamas (Mont Kiara), sales of inventories from Manjung Point Seksyen II (Seri Manjung).

	Current Quarter	Immediate Preceding Quarter	Changes	
	RM	RM	RM	%
Revenue	62,740,197	66,046,353	(3,306,156)	-5%
(Loss)/ Profit from operations	9,122,278	4,741,838	4,380,440	92%
(Loss)/Profit before tax	(1,929,914)	(7,586,015)	5,656,101	75%
(Loss)/Profit for the period	(4,179,914)	(7,523,910)	3,343,996	44%

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

14. PERFORMANCE REVIEW (Contd.)

On a quarter to quarter basis, the current quarter registered a loss after taxation of RM 4,179,914 compared to a loss after taxation of RM7,523,910. The marginal improvement in the bottom line is due to a lesser operating and administrative cost incurred in the current financial period.

An analysis of other operating income for the current financial period are as follows:

<u>Other operating income</u>	30.09.2023	30.09.2022
	RM	RM
Rental income from properties and machineries	11,034,686	12,771,884
Gain on disposal of PPE and investment properties	-	8,122,149
Sales of building material & others	185,885	688,467
Cost adjustment upon final contract	-	452,265
Others	27,400	1,499,906
	<u>11,247,971</u>	<u>23,534,671</u>

15. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no off balance sheet financial instruments as at the date of this report.

16. COMMENTARY ON PROSPECTS

The Group has, in the previous year, launched Solasta Dutamas, a high end residential development project, located at Mont Kiara, Kuala Lumpur. The project consist of 1,159 units of tastefully built condominium, with distinctive and opulent design and styling. Solasta Dutamas project has received encouraging response from potential purchasers. Solasta Dutamas project has a gross development value of RM750 million and is expected to contribute positively to the Group for the next three financial years.

Another prestigious project planned for the future by YNH group is the Menara YNH development, located on one of the most exclusive addresses in Kuala Lumpur city center, in the Golden Triangle area where most prestigious 5 star hotels and upmarket office spaces are found. The commercial development sits on a 130,826 sq ft (approximately 3 acres) of land with a wide frontage of 320 feet along Jalan Sultan Ismail. The location of Menara YNH also offers easy accessibility and close proximity to efficient public transport facilities such as the Putra Light Rail Transport and the K.L Monorail station. It is also located within walking distance to all major hotels and shopping centers. This Menara YNH has a GDV of approximately RM2.1 billion. Approved development order had already been obtained for this development, comprising office tower and shopping mall.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

16. COMMENTARY ON PROSPECTS (Contd.)

The Group has intention to keep 50% of the Menara YNH referred above as investment property and it will be used as the Group's future corporate headquarter.

The Group has also entered into a series of joint venture projects for the development of a few pieces of land strategically located near Mont' Kiara, Hartamas, Kuala Lumpur city center, Ipoh city and Seri Manjung town. These developments are at planning stage and have an estimated gross development value of RM1.8 billion and are expected to contribute to the Group's earnings for the next 15 to 20 years.

The Group had successfully completed the construction of AEON Mall Seri Manjung in year 2012 and Pantai Specialist Centre at Seri Manjung in November 2013. The presence of AEON Mall Seri Manjung Shopping Centre and Pantai Specialist Centre will further enhance the value of the balance 700 acres of undeveloped landbanks in the Manjung Point Township.

The Company had also in the 4th quarter of 2008 acquired 95 acres of strategic development land bank in Genting Highlands. The Genting land bank is located strategically next to the Genting Highland Resort and was acquired for RM16.05 million. The advantage of this land bank is that the purchase consideration is very low and it comes with infrastructure. The land has already been converted to building title. The proximity to the existing Genting Highland Resort is an advantage as the proposed development will complement the existing infrastructure. Other plus point for this development is that it is located in a cool environment and yet is 45 minutes from the KL city center as the existing highway is already completed from the KL city center to the existing resort.

The proposed development for this 95 acres land bank comprises commercial, bungalows, condominium, retail and etc. for both local and foreign investors. The estimated gross development value for this future development is RM1.96 billion and expected to contribute to the Group's earnings in the next 20 years.

17. FINANCE COSTS

This is arrived at after charging:

3 months ended
30.09.2023
RM

Revolving credit interest	2,298,933
Term loan interest	3,631,116
Interest on medium term notes	4,649,151
Overdraft interest	472,992
	<hr/>

YNH PROPERTY BHD
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

18. INCOME TAX EXPENSE

	3 months ended 30.09.2023	3 months ended 30.09.2022	3 months ended 30.09.2023	3 months ended 30.09.2022
	RM	RM	RM	RM
Tax expense for the period:				
Malaysian income tax	(1,988,031)	1,409,007	(1,988,031)	1,409,007
Deferred tax	(261,969)	(663,206)	(261,969)	(663,206)
	(2,250,000)	745,801	(2,250,000)	745,801

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follow:

	3 months ended 30.09.2023 RM
(Loss)/Profit before tax	(1,929,914)
Taxation at applicable statutory tax rate	-
Expenses not deductible for tax purposes	(2,836,335)
Income not taxable	-
Others timing differences	586,335
Tax expense for the quarter/year	(2,250,000)

19. SALES OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and no other sales of properties for the financial year ended 30 September 2023 except for the sales of development properties in the ordinary course of business.

20. LOAN AND BORROWINGS

	As at 1st quarter ended 30.09.2023					
	Long term		Short term		Total borrowings	
	USD denomination	RM denomination	USD denomination	RM denomination	USD denomination	RM denomination
Secured						
Secured-Finance lease liabilities	-	-	-	-	-	-
Secured-Medium term notes	-	-	-	-	-	-
Secured-Term loan & medium term notes	-	379,926,064	-	272,070,745	-	651,996,809
Secured-Bank overdraft and revolving credit	-	-	-	251,266,815	-	251,266,815

YNH PROPERTY BHD
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

20. LOAN AND BORROWINGS (Contd.)

	As at 30.09.2022					
	Long term		Short term		Total borrowings	
	USD denomination	RM denomination	USD denomination	RM denomination	USD denomination	RM denomination
Secured						
Secured-Finance lease liabilities	-		-	-	-	-
Secured-Term loan & medium term notes	-	631,405,517	-	40,435,698	-	671,841,215
Secured-Bank overdraft and revolving credit	-	-	-	293,207,842	-	293,207,842

The weighted average interest of borrowings is 5.47 % and all loan and borrowings are based on floating interest rate.

21. PROFIT FORECAST

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

22. PROVISIONS

	As at 30.09.2023	As at 30.06.2023
	RM	RM
Opening	135,379	479,390
Provision during the period/year	-	120,905
Utilization/ written back during the period/year	(14,879)	(322,408)
Closing	120,500	277,887

The provisions represent amount allocated for defect and liabilities warranty for housebuyers.

23. CHANGES IN MATERIAL LITIGATION

The Board of Directors of YNH Property Bhd ("YNH" or "the Company") wishes to announce that Kar Sin Berhad ("KSB"), a wholly-owned subsidiary of the Company, had on 20th October 2023, served with a Winding-Up Petition ("Petition") dated 18th October 2023 in the High Court of Malaya at Ipoh, by Fraser Hospitality Pte Ltd ("Petitioner") via Messrs Christopher & Lee Ong. The Petition has been resolved, with Notice of Discontinuance of the Petition dated 30th October 2023.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

23. CHANGES IN MATERIAL LITIGATION (Contd.)

The circumstances leading to the filing of the Writ and Statement of Claim was due to KSB has failed to settle the outstanding sum of RM1,369,321.52 and SGD38,823.31, which is approximately equivalent to RM134,252.25 owing to the Plaintiff to manage and operate service apartments in Kuala Lumpur.

The Petition has been resolved, with Notice of Discontinuance of the Petition dated 30th October 2023.

24. DIVIDEND PAYABLE

No dividend payable for the financial year ended 30 September 2023.

25. EARNING PER SHARE

(a) **Basic**

Basic earning per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months ended	3 months ended	3 months ended	3 months ended
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
	RM	RM	RM	RM
Net profit for the period	(4,179,914)	3,687,417	(4,179,914)	3,687,417
Distribution to holders of perpetual securities	(6,043,014)	(5,911,643)	(6,043,014)	(5,911,643)
Loss attributable to ordinary equity holders	(10,222,928)	(2,224,226)	(10,222,928)	(2,224,226)
Weighted average number of ordinary shares in issue	528,487,067	528,487,067	528,487,067	528,487,067
Basic loss per share (sen)	(1.93)	(0.42)	(1.93)	(0.42)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

25. EARNING PER SHARE (Contd.)

(b) **Diluted**

There is no dilution effect in calculating earning per shares because there is no Employee Share Scheme in effect during the current financial year. As such, the diluted earning per share is similar with basic earning per shares.

	3 months ended 30.09.2023 RM	3 months ended 30.09.2022 RM	3 months ended 30.09.2023 RM	3 months ended 30.09.2022 RM
Net profit for the period	(4,179,914)	3,687,417	(4,179,914)	3,687,417
Distribution to holders of perpetual securities	(6,043,014)	(5,911,643)	(6,043,014)	(5,911,643)
Loss attributable to ordinary equity holders	(10,222,928)	(2,224,226)	(10,222,928)	(2,224,226)
Weighted average number of ordinary shares in issue	528,487,067	528,487,067	528,487,067	528,487,067
Adjusted weighted number of ordinary shares in issue	528,487,067	528,487,067	528,487,067	528,487,067
Diluted loss per share (sen)	(1.93)	(0.42)	(1.93)	(0.42)

26. RELATED PARTY TRANSACTIONS

The Group's related party transactions cumulative period-to-date ended 30 September 2023 are as follows:

Party	Transaction	30.09.2023 RM
Transaction with non-group members	Rental of equipment and transportation payable, purchase of construction material, rental of land and properties and entitlement payable	597,344
	Rental of properties and equipment received	305,288

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

26. RELATED PARTY TRANSACTIONS (Contd.)

Party	Transaction	30.09.2023 RM
Transaction with person connected with Directors	Legal services and disbursement paid (including stamp duty etc.)	1,062,003
	Sales of properties	
	Commission paid	63,573
	Sales of properties	-
Transaction with Directors	Sales of properties	-
Transaction with companies /persons related to Directors	Sales of properties	1,875,000

The Group's Directors personal compensation for the period under review are as follows:

Type of compensation	30.09.2023 RM
Salaries and allowances (including employer EPF portion)(Executive directors)	2,524,290
Directors fee & allowances (Independent & non executive directors)	28,500
	<u>2,552,790</u>

27. SUBSEQUENT EVENT

There is no material subsequent event from the end of the current quarter to the date of the interim financial statements.

28. AUTHORISATION FOR ISSUE

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 29 November 2023.

YNH PROPERTY BHD
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2023

29. SEGMENTAL REPORTING

	Property Development & Construction		Hotel & Hospitality		Adjustment & Elimination		Consolidated	
	30.09.2023 RM	30.09.2022 RM	30.09.2023 RM	30.09.2022 RM	30.09.2023 RM	30.09.2022 RM	30.09.2023 RM	30.09.2022 RM
Revenue								
External customers	60,745,197	50,429,469	1,995,000	3,604,177	-	-	62,740,197	52,836,900
Results								
Interest income	11,258	1,333,968		-			11,258	1,333,968
Dividend income					-	-	-	-
Depreciation	758,520	368,301	932,155	956,712	-	-	1,690,675	1,325,013
Finance cost	11,239,692	19,305,674	(187,500)	337,865	-	-	11,052,192	19,471,034
Profit/(loss) before taxation	2,930,364	1,167,491	1,000,450	2,314,010	-	-	3,930,814	2,941,616
Segment assets	2,303,621,857	2,364,650,375	169,033,376	179,035,926	-	-	2,472,655,233	2,545,007,367
Segment liabilities	1,255,262,529	1,284,614,174	40,288,714	36,962,133	-	-	1,295,551,243	1,331,176,687