

**TO BE RELEASED TO BURSA**



**HUA YANG GROUP OF COMPANIES**

**INTERIM FINANCIAL RESULTS**

**THIRD QUARTER ENDED 31 DECEMBER 2017**

Interim Financial Statements for the financial period ended 31 December 2017

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE
	31/12/2017 RM' 000	31/12/2016 RM' 000	31/12/2017 RM' 000	31/12/2016 RM' 000
Revenue	50,797	73,954	143,951	304,680
Cost of Sales	(34,481)	(52,030)	(99,057)	(203,904)
<b>Gross Profit</b>	<b>16,316</b>	<b>21,924</b>	<b>44,894</b>	<b>100,776</b>
Other Income	430	542	1,075	1,559
Selling and Marketing Expenses	(3,542)	(2,431)	(10,563)	(10,610)
Administrative and General Expenses	(6,350)	(7,284)	(20,831)	(23,080)
<b>Operating Profit</b>	<b>6,854</b>	<b>12,751</b>	<b>14,575</b>	<b>68,645</b>
Finance Costs	(3,133)	(1)	(6,967)	(509)
Share of Loss of Associate	(2,528)	-	(1,545)	-
<b>Profit Before Taxation</b>	<b>1,193</b>	<b>12,750</b>	<b>6,063</b>	<b>68,136</b>
Income Tax Expense	(2,150)	(2,331)	(4,718)	(16,859)
<b>(Loss)/Profit For The Period</b>	<b>(957)</b>	<b>10,419</b>	<b>1,345</b>	<b>51,277</b>
(Loss)/Profit attributable to:				
Owners of the Company	(957)	10,419	1,345	51,277
Non-controlling Interests	-	-	-	-
	<b>(957)</b>	<b>10,419</b>	<b>1,345</b>	<b>51,277</b>
<b>(Loss)/Earnings Per Share Attributable To Owners Of The Company (sen)</b>				
Basic, for (loss)/profit for the period	<b>(0.27)</b>	2.96	<b>0.38</b>	14.57

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 December 2017

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE
	31/12/2017 RM' 000	31/12/2016 RM' 000	31/12/2017 RM' 000	31/12/2016 RM' 000
(Loss)/Profit For The Period	(957)	10,419	1,345	51,277
Other Comprehensive Income For The Period, Net Of Income Tax	223	-	267	-
<b>Total Comprehensive Income For The Period, Net Of Income Tax</b>	<b>(734)</b>	<b>10,419</b>	<b>1,612</b>	<b>51,277</b>
Total Comprehensive Income Attributable To :				
Owners of the Company	(734)	10,419	1,612	51,277
Non-controlling Interests	-	-	-	-
	<b>(734)</b>	<b>10,419</b>	<b>1,612</b>	<b>51,277</b>

Note: Included in the Total Comprehensive Income for the period are the followings:

Interest Income	165	252	395	981
Other Income Including Investment Income	265	290	680	578
Interest Expense	3,133	1	6,967	509
Depreciation & Amortization	389	369	1,148	1,091
Provision For/Write Off of Receivables	4	(74)	165	26
Provision For/Write Off of Inventories	N/A	N/A	N/A	N/A
Gain/Loss on Disposal of Quoted and Unquoted Investment or Properties	N/A	N/A	N/A	N/A
Impairment of Assets	-	-	538	128
Gain/Loss on Foreign Exchange	223	N/A	267	N/A
Gain/Loss on Derivatives	N/A	N/A	N/A	N/A

N/A: Not Applicable

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 December 2017

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) As at 31/12/2017 RM' 000	(AUDITED) As at 31/03/2017 RM' 000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	10,689	8,983
Concession assets	8,363	9,362
Land held for property development	496,749	442,600
Investment properties	1,750	1,782
Investment in associate	189,430	66,702
Other receivables	8,416	6,573
Fixed deposit with licenced bank	3,102	3,102
Intangible assets	16,148	16,148
Deferred tax assets	14,724	13,880
	<u>749,371</u>	<u>569,132</u>
<b>Current assets</b>		
Inventories	107,856	39,629
Property development costs	214,344	267,538
Trade and other receivables	63,036	52,985
Other current assets	21,110	76,435
Tax recoverable	6,815	-
Cash and bank balances	13,575	44,629
	<u>426,736</u>	<u>481,216</u>
<b>TOTAL ASSETS</b>	<u>1,176,107</u>	<u>1,050,348</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	120,815	136,711
Other current liabilities	385	4,833
Short term borrowings	174,996	86,931
Taxation	-	1,777
	<u>296,196</u>	<u>230,252</u>
<b>Net current assets</b>	<u>130,540</u>	<u>250,964</u>
<b>Non-current liabilities</b>		
Trade and other payables	16,307	13,623
Deferred tax liabilities	19,780	19,622
Long term borrowings	253,854	191,454
	<u>289,941</u>	<u>224,699</u>
<b>TOTAL LIABILITIES</b>	<u>586,137</u>	<u>454,950</u>
<b>Net assets</b>	<u>589,970</u>	<u>595,398</u>
<b>Total equity attributable to owners of the Company</b>		
Share capital	352,000	352,000
Reserves	237,970	243,397
<b>TOTAL EQUITY</b>	<u>589,970</u>	<u>595,397</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,176,107</u>	<u>1,050,348</u>
<b>Net Assets Attributable to Owners of the Company</b>	<u>589,970</u>	<u>595,398</u>
<b>Net Assets Per Share Attributable to Owners of the Company (RM)</b>	<u>1.68</u>	<u>1.69</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements.

**Interim Financial Statements for the financial period ended 31 December 2017**

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	<----- Attributable to Owners of the Company ----->			
	<----- Non-distributable ----->		<-- Distributable -->	
	Share Capital	Foreign Currency Exchange Reserve	Retained Earnings	Total Equity
	RM' 000	RM' 000	RM' 000	RM' 000
<b><u>9 months ended 31 December 2016</u></b>				
Balance as at 1 April 2016	264,000	-	277,625	541,625
Total comprehensive income for the period	-	-	51,277	51,277
Capitalisation for bonus issue	88,000	-	(88,000)	-
Share issuance expenses	-	-	(117)	(117)
Balance as at 31 December 2016	<u>352,000</u>	<u>-</u>	<u>240,785</u>	<u>592,785</u>
<b><u>9 months ended 31 December 2017</u></b>				
Balance as at 1 April 2017	<b>352,000</b>	-	<b>243,397</b>	<b>595,397</b>
Profit for the period	-	-	<b>1,345</b>	<b>1,345</b>
Other comprehensive income for the period	-	<b>267</b>	-	<b>267</b>
Total comprehensive income for the period	-	<b>267</b>	<b>1,345</b>	<b>1,612</b>
Dividends	-	-	<b>(7,040)</b>	<b>(7,040)</b>
Balance as at 31 December 2017	<u><b>352,000</b></u>	<u><b>267</b></u>	<u><b>237,703</b></u>	<u><b>589,970</b></u>

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017 and the explanatory notes attached to the interim financial statements.**

Interim Financial Statements for the financial period ended 31 December 2017

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 months ended 31/12/2017 RM' 000	9 months ended 31/12/2016 RM' 000
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	6,063	68,136
Adjustments for :		
Non-cash items	3,379	1,249
Non-operating items	6,572	(472)
Operating cash flows before changes in working capital	16,014	68,913
<i>Net change in current assets</i>		
Receivables	43,284	117,139
Inventories	(68,227)	2,142
Property development costs	56,619	(48,920)
<i>Net change in current liabilities</i>		
Payables	(17,660)	(47,301)
Cash flows used in operations	30,030	91,973
Tax paid	(13,993)	(29,041)
Interest received	395	981
Interest paid	(6,967)	(509)
Net cash flows from operating activities	9,465	63,404
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(2,361)	(287)
Net cash outflow on acquisition of a subsidiary	-	(52,532)
Net cash outflow on acquisition of an associate	(124,007)	-
Land and development expenditure	(57,574)	(16,469)
Net cash flows used in investing activities	(183,942)	(69,288)
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowings	180,880	109,451
Repayment of borrowings	(44,394)	(66,311)
Fixed deposits	-	(1,929)
Dividend paid	(7,040)	-
Repayment to hire purchase / lease creditor	-	(11)
Payment of share issuance expenses	-	(117)
Net cash flows from financing activities	129,446	41,083
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(45,031)</b>	<b>35,199</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>44,629</b>	<b>43,062</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>(402)</b>	<b>78,261</b>
Cash and cash equivalents comprise of :		
Deposits, bank and cash balances	13,575	80,691
Bank overdrafts	(13,977)	(2,430)
	(402)	78,261

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017 and the accompanying notes attached to the interim financial statements.

## **PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**

### **1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2017.

The significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 March 2017 save for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Issues Committee ("IC") Interpretations and amendments to FRSs and IC Interpretations that are mandatory for the Group for the financial year commencing 1 April 2017:

Amendments to FRS 107	Disclosure Initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to FRSs 2014-2016 Cycle:	
- Amendments to FRS 12	Disclosure of Interests in Other Entities

The adoption of these new FRSs, amendments and IC Interpretation will have no material impact on the financial statements of the Group.

The Group has yet to adopt the following FRSs and amendments to FRSs that have been issued but not yet effective:

		Effective for financial periods beginning on or after
Annual Improvements to FRSs 2014-2016 Cycle:		
- Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2018
- Amendments to FRS 128	Investments in Associates and Joint Ventures	1 January 2018
FRS 9	Financial Instruments	1 January 2018
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to FRS 4	Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts	1 January 2018
Amendments to FRS 140	Transfers of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2018
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

These new and amended standards will have no material impact on the financial statements of the Group upon their initial application.

#### **Malaysian Financial Reporting Standards ("MFRS") Framework**

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for one year. On 30 June 2012, MASB has given an option to Transitioning Entities to defer the adoption of the MFRS Framework for another year.

In light of the development and the revisions of the project timelines by the IASB, the Malaysian Accounting Standards Board ("MASB") has decided to extend the transition period for another year, i.e. the adoption of the MFRS Framework by all Transitioning Entities with effect from annual periods beginning on or after 1 January 2015.

## PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

### 1 Basis of Preparation (cont'd)

On 28 October 2015, MASB announced that Transitioning Entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2018.

The Group fall within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2019. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The Group is currently assessing the impact of adoption of MFRS 1 First-time adoption of Malaysian Financial Reporting Standards, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. At the date of authorisation for issue of these financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adopting the new MFRS Framework on the Group's first set of financial statements prepared in accordance with the MFRS Framework cannot be determined and estimated reliably until the process is complete.

### 2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2017 was not qualified.

### 3 Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

### 4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

### 5 Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

### 6 Debt and Equity Securities

Status of Sukuk Murabahah Programme announced and completed:

On 29 April 2014, Public Investment Bank Berhad had, on behalf of the Board announced that the Company has obtained approval from the Securities Commission Malaysia on 28 April 2014 with regards to the proposed Sukuk Murabahah Programme of up to RM250.0 million in nominal value.

Proceed raised from the Sukuk Murabahah Programme issuance shall be utilised to part finance the acquisition cost of the Shariah compliant development land(s) and/or such other Shariah compliant property(ies).

During the current quarter under review, the Company drawdown the borrowings facilities as follow:

Date of drawdown	Amount drawdown (RM' 000)
31 March 2016	18,450
26 April 2016	21,250
28 September 2017	13,000
<b>Total</b>	<b>52,700</b>

Save for the above, there were no other issuance and repayment of debts and equity, repurchases, share cancellation or new issuance during the quarter under review and financial year-to-date.



**PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**

**7 Dividends Paid**

On 17 October 2017, the Company paid a final single tier dividend of 2% per share, amounting RM7,040,000 in respect of the financial year ended 31 March 2017.

**8 Segment Information**

	Property Development		Other Operation		Adjustments and Eliminations		Per Consolidated Financial Statements	
	31/12/2017 RM' 000	31/12/2016 RM' 000	31/12/2017 RM' 000	31/12/2016 RM' 000	31/12/2017 RM' 000	31/12/2016 RM' 000	31/12/2017 RM' 000	31/12/2016 RM' 000
<b>Revenue:</b>								
External customers	142,439	302,915	1,512	1,765	-	-	143,951	304,680
Inter-segment	6,391	5,747	-	-	(6,391)	(5,747)	-	-
	<b>148,830</b>	<b>308,662</b>	<b>1,512</b>	<b>1,765</b>	<b>(6,391)</b>	<b>(5,747)</b>	<b>143,951</b>	<b>304,680</b>
<b>Results:</b>								
Interest income	6,999	7,467	-	-	(6,604)	(6,486)	395	981
Dividend income	-	82,500	-	-	-	(82,500)	-	-
Depreciation and amortisation	(684)	(627)	(461)	(461)	(3)	(3)	(1,148)	(1,091)
Other non-cash income / (expenses)	(673)	(4)	(13)	(26)	-	(128)	(686)	(158)
Share of results from associated company	(1,545)	-	-	-	-	-	(1,545)	-
Interest expenses	(13,337)	(8,423)	(234)	(289)	6,604	8,203	(6,967)	(509)
Segment profit / (loss)	<b>6,375</b>	<b>67,922</b>	<b>(312)</b>	<b>214</b>	<b>-</b>	<b>-</b>	<b>6,063</b>	<b>68,136</b>
<b>Assets:</b>								
Additions to non-current assets	66,588	18,174	-	-	-	-	66,588	18,174
Segment assets	<b>1,606,565</b>	<b>1,390,337</b>	<b>9,776</b>	<b>11,907</b>	<b>(440,234)</b>	<b>(380,803)</b>	<b>1,176,107</b>	<b>1,021,441</b>
<b>Segment liabilities</b>	<b>967,876</b>	<b>752,725</b>	<b>12,552</b>	<b>13,194</b>	<b>(394,291)</b>	<b>(337,264)</b>	<b>586,137</b>	<b>428,655</b>

**9 Valuation of Property, Plant and Equipment**

The valuation of property, plant and equipment have been brought forward, without any amendments from the previous annual audited financial statements for the year ended 31 March 2017.

**10 Material Events Subsequent to the End of the Reporting Period**

There were no material events subsequent to the end of the reporting date up to date of issuance of this interim financial statements.

**11 Changes in the Composition of the Group**

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

**12 Changes in Contingent Liabilities and Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last annual statement of financial position as at 31 March 2017.

**13 Capital Commitments**

Approved and contracted for:

- Commitment to acquire 100% equity interest in Kajang Heights Development Sdn Bhd

As at  
31/12/2017  
RM' 000

63,000

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**14 Income Tax Expense**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/12/2017 RM' 000	Preceding Year Corresponding Quarter 31/12/2016 RM' 000	Current Year to Date 31/12/2017 RM' 000	Preceding Year Corresponding Year to Date 31/12/2016 RM' 000
Malaysian income tax	(2,484)	(3,948)	(4,989)	(22,083)
Deferred tax	539	715	476	4,322
	<u>(1,945)</u>	<u>(3,233)</u>	<u>(4,513)</u>	<u>(17,761)</u>
Over/(Under) provision of Malaysian income tax in prior years	(205)	902	(205)	902
	<u>(2,150)</u>	<u>(2,331)</u>	<u>(4,718)</u>	<u>(16,859)</u>

**15 Corporate Proposals**

As of 24 January 2018, the Company has not announced any corporate proposal.

**16 Borrowings - Secured**

	As at 31/12/2017 RM' 000	As at 31/03/2017 RM' 000
Bank Overdrafts	13,978	-
Short Term Bank Borrowings	161,018	86,931
Long Term Bank Borrowings	253,854	191,454
	<u>428,850</u>	<u>278,385</u>

**17 Changes in Material Litigation**

There were no material litigation since the date of the last annual statement of financial position to the date of this report.

**18 Dividends Payable**

No dividend has been declared for the quarter under review.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**19 Earnings Per Share**

Basic earnings per share is calculated by dividing profit for the period attributable to owners of the company by the weighted average number of ordinary shares in issue during the period.

		<b>9 months ended 31/12/2017</b>	<b>9 months ended 31/12/2016</b>
<b>(a) Basic earnings per share</b>			
Profit for the period	(RM' 000)	<u>1,345</u>	<u>51,277</u>
Weighted average number of ordinary shares	('000)	<u>352,000</u>	<u>352,000</u>
Basic earnings per share	(sen)	<b>0.38</b>	14.57
<b>(b) Diluted earnings per share</b>			
	(sen)	N/A	N/A

**20 Review of Group Performance**

For the quarter under review, the Group achieved loss after tax of RM0.96 million, representing a decrease of RM11.38 million (109%) as compared to the preceding year's corresponding quarter.

Revenue achieved for the quarter under review of RM50.80 million was RM23.16 million (31%) lower than the preceding year corresponding quarter.

Total unbilled sales at the end of the quarter under review stood at RM161.62 million.

The Group's earnings per share for the period ended 31 December 2017 was 0.38 sen.

The performance of the respective operating business segments is analysed as follows:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter 31/12/2017 RM' 000</b>	<b>Preceding Year Corresponding Quarter 31/12/2016 RM' 000</b>	<b>Current Year to Date 31/12/2017 RM' 000</b>	<b>Preceding Year Corresponding Year to Date 31/12/2016 RM' 000</b>
<b>Revenue</b>				
Property Development	50,298	73,359	142,439	302,915
Other Operation	499	595	1,512	1,765
	<u>50,797</u>	<u>73,954</u>	<u>143,951</u>	<u>304,680</u>
<b>Profit before tax</b>				
Property Development	1,245	12,599	6,375	67,922
Other Operation	(52)	151	(312)	214
	<u>1,193</u>	<u>12,750</u>	<u>6,063</u>	<u>68,136</u>

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**20 Review of Group Performance (contd.)**

**(a) Property development:**

For the quarter under review, revenue and profit before tax decreased by 31% and 90% respectively as compared to the previous financial year corresponding quarter due to lesser on-going project and newly launched projects like Astetica Residence and Meritus Residence are still in the early stage of construction.

The investment in associate is not expected to yield return in the current financial year.

**(b) Other operations:**

Revenue and profit from other operations mainly consist of rental income derived from the operation of commercial properties under the "build, operate and transfer" concession with local authorities.

**21 Material Changes in the Quarterly Results compared to the Results of the Immediate Preceding Quarter**

The Group's profit before tax for the quarter under review of RM1.19 million was RM0.87 million or 42% lower than the immediate preceding quarter ended 30 September 2017 of RM2.06 million.

**22 Current Year Prospects**

The outlook for the property industry remains challenging. The Board is continuously evaluating ways and implementing measures to improve the performance for the remaining period of financial year ending 31 March 2018.

**23 Explanatory Notes for Variance of Actual Profit from Forecast Profit / Profit Guarantee**

Not applicable.

**24 Authorisation For Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed at the Board of Directors' meeting held on 24 January 2018.

**25 Realised and Unrealised Profits/Losses**

The breakdown of retained profits of the Group as at the reporting date into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<b>As at 31/12/2017 (RM' 000)</b>	<b>As at 31/03/2017 (RM' 000)</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	<b>252,712</b>	258,805
- Unrealised	<b>15,097</b>	14,232
	<b>267,809</b>	273,037
Share of results from associated company	<b>*(1,545)</b>	-
	<b>266,264</b>	<b>273,037</b>
Less: Consolidation adjustments	<b>(28,561)</b>	(29,640)
Total group retained profits as per consolidated accounts	<b>237,703</b>	243,397

\* It is not practical to segregate the share of results from associated company to realised and unrealised earnings.