

**TO BE RELEASED TO BURSA**



**HUA YANG GROUP OF COMPANIES**

**INTERIM FINANCIAL RESULTS**

**FOURTH QUARTER ENDED 31 MARCH 2018**

**Interim Financial Statements for the financial period ended 31 March 2018**

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
	31/3/2018 RM' 000	31/3/2017 RM' 000	31/3/2018 RM' 000	31/3/2017 RM' 000
Revenue	86,740	80,678	230,691	385,358
Cost of Sales	(62,826)	(51,864)	(161,883)	(255,768)
<b>Gross Profit</b>	<b>23,914</b>	28,814	<b>68,808</b>	129,590
Other Income	582	1,370	1,657	2,929
Selling and Marketing Expenses	(7,347)	(6,356)	(17,910)	(16,966)
Administrative and General Expenses	(10,393)	(10,299)	(31,224)	(33,379)
<b>Operating Profit</b>	<b>6,756</b>	13,529	<b>21,331</b>	82,174
Finance Costs	(4,092)	(1,042)	(11,059)	(1,551)
Share of Profit of Associate	2,858	-	1,313	-
<b>Profit Before Taxation</b>	<b>5,522</b>	12,487	<b>11,585</b>	80,623
Income Tax Expense	(2,456)	(2,835)	(7,174)	(19,694)
<b>Profit For The Period</b>	<b>3,066</b>	9,652	<b>4,411</b>	60,929
Profit attributable to:				
Owners of the Company	3,066	9,652	4,411	60,929
Non-controlling Interests	-	-	-	-
	<b>3,066</b>	9,652	<b>4,411</b>	60,929
<b>Earnings Per Share Attributable To Owners Of The Company (sen)</b>				
Basic, for profit for the period	0.87	2.74	1.25	17.31

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 March 2018

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	QUARTER	CORRESPONDING	YEAR TO DATE	CORRESPONDING
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
	RM' 000	RM' 000	RM' 000	RM' 000
Profit For The Period	3,066	9,652	4,411	60,929
Other Comprehensive Income For The Period, Net Of Income Tax	(2,848)	-	(2,581)	-
<b>Total Comprehensive Income For The Period, Net Of Income Tax</b>	<b>218</b>	<b>9,652</b>	<b>1,830</b>	<b>60,929</b>
Total Comprehensive Income Attributable To :				
Owners of the Company	218	9,652	1,830	60,929
Non-controlling Interests	-	-	-	-
	<b>218</b>	<b>9,652</b>	<b>1,830</b>	<b>60,929</b>

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

Interest Income	418	1,127	813	2,108
Other Income Including Investment Income	165	243	845	821
Interest Expense	4,092	1,042	11,059	1,551
Depreciation & Amortization	692	382	1,840	1,473
Provision For/Write Off of Receivables	282	(5)	447	21
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	966	857	1,504	985
Gain/Loss on Foreign Exchange	(2,848)	N/A	(2,581)	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 March 2018

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(UNAUDITED) As at 31/3/2018 RM' 000	(AUDITED) As at 31/03/2017 RM' 000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,611	8,983
Concession assets	8,559	9,362
Land held for property development	489,169	442,600
Investment properties	1,739	1,782
Investment in associate	189,440	66,702
Other receivables	8,753	6,573
Fixed deposit with licenced bank	3,188	3,102
Intangible assets	15,182	16,148
Deferred tax assets	14,608	13,880
	<u>747,249</u>	<u>569,132</u>
<b>Current assets</b>		
Inventories	106,069	39,629
Property development costs	206,492	267,538
Trade and other receivables	76,888	52,985
Other current assets	44,955	76,435
Tax recoverable	5,781	-
Cash and bank balances	16,280	44,629
	<u>456,465</u>	<u>481,216</u>
<b>TOTAL ASSETS</b>	<u>1,203,714</u>	<u>1,050,348</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	132,109	136,711
Other current liabilities	1,361	4,833
Short term borrowings	211,715	86,931
Taxation	-	1,777
	<u>345,185</u>	<u>230,252</u>
<b>Net current assets</b>	<u>111,280</u>	<u>250,964</u>
<b>Non-current liabilities</b>		
Trade and other payables	18,988	13,623
Deferred tax liabilities	19,248	19,622
Long term borrowings	230,106	191,454
	<u>268,342</u>	<u>224,699</u>
<b>TOTAL LIABILITIES</b>	<u>613,527</u>	<u>454,950</u>
<b>Net assets</b>	<u>590,187</u>	<u>595,398</u>
<b>Total equity attributable to owners of the Company</b>		
Share capital	352,000	352,000
Reserves	238,187	243,397
<b>TOTAL EQUITY</b>	<u>590,187</u>	<u>595,397</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,203,714</u>	<u>1,050,348</u>
<b>Net Assets Attributable to Owners of the Company</b>	<u>590,187</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 March 2018**

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>12 months ended 31 March 2017</u></b>				
Balance as at 1 April 2016	264,000	-	277,625	541,625
Total comprehensive income for the period	-	-	60,929	60,929
Dividends	-	-	(7,040)	(7,040)
Capitalisation for bonus issue	88,000	-	(88,000)	-
Share issuance expenses	-	-	(117)	(117)
Balance as at 31 March 2017	<u>352,000</u>	<u>-</u>	<u>243,397</u>	<u>595,397</u>
<b><u>12 months ended 31 March 2018</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>4,411</b>	<b>4,411</b>
Other comprehensive income for the period	-	<b>(2,581)</b>	-	<b>(2,581)</b>
Total comprehensive income for the period	-	<b>(2,581)</b>	<b>4,411</b>	<b>1,830</b>
Dividends	-	-	<b>(7,040)</b>	<b>(7,040)</b>
Balance as at 31 March 2018	<u><b>352,000</b></u>	<u><b>(2,581)</b></u>	<u><b>240,768</b></u>	<u><b>590,187</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 March 2018**

The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>12 months ended 31/3/2018 RM' 000</b>	<b>12 months ended 31/3/2017 RM' 000</b>
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	11,585	80,623
Adjustments for :		
Non-cash items	2,864	2,513
Non-operating items	10,246	(557)
Operating cash flows before changes in working capital	24,695	82,579
<i>Net change in current assets</i>		
Receivables	5,308	142,176
Inventories	(66,440)	4,394
Property development costs	68,497	(4,208)
<i>Net change in current liabilities</i>		
Payables	(3,433)	(27,716)
Cash flows used in operations	28,627	197,225
Tax paid	(15,834)	(33,785)
Interest received	813	1,299
Net cash flows from operating activities	13,606	164,739
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(9,179)	(508)
Net cash outflow on acquisition of a subsidiary	-	(52,532)
Net cash outflow on acquisition of an associate	(124,007)	(66,701)
Land and development expenditure	(54,019)	(66,023)
Net cash flows used in investing activities	(187,205)	(185,764)
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowings	195,197	141,604
Repayment of borrowings	(47,564)	(88,134)
Fixed deposits	(86)	(2,008)
Dividend paid	(7,040)	(13,200)
Interest paid	(11,059)	(15,542)
Repayment to hire purchase / lease creditor	-	(11)
Payment of share issuance expenses	-	(117)
Net cash flows from financing activities	129,448	22,592
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(44,151)</b>	<b>1,567</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>478</b>	<b>44,629</b>
Cash and cash equivalents comprise of :		
Deposits, bank and cash balances	16,280	44,629
Bank overdrafts	(15,802)	-
	478	44,629

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	1 January 2018
- Amendments to FRS 128	1 January 2018
FRS 9	1 January 2018
Amendments to FRS 2	
	1 January 2018
Amendments to FRS 4	
	1 January 2018
Amendments to FRS 140	
IC Interpretation 22	1 January 2018
IC Interpretation 23	1 January 2019
Amendments to FRS 10 and FRS 128	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 transitions period for another year, ie. 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).

The cumulative drawdown of the facility at the end of the reporting period are 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**

No dividend has been paid during the quarter under review.

**8 Segment Information**

	Property Development		Other Operation		Adjustments and Eliminations		Per Consolidated Financial Statements	
	31/3/2018 RM' 000	31/3/2017 RM' 000	31/3/2018 RM' 000	31/3/2017 RM' 000	31/3/2018 RM' 000	31/3/2017 RM' 000	31/3/2018 RM' 000	31/3/2017 RM' 000
<b>Revenue:</b>								
External customers	228,914	383,079	1,777	2,279	-	-	230,691	385,358
Inter-segment	8,005	6,979	-	-	(8,005)	(6,979)	-	-
	<b>236,919</b>	<b>390,058</b>	<b>1,777</b>	<b>2,279</b>	<b>(8,005)</b>	<b>(6,979)</b>	<b>230,691</b>	<b>385,358</b>
<b>Results:</b>								
Interest income	11,256	10,812	-	-	(10,443)	(8,704)	813	2,108
Dividend income	11,000	82,500	-	-	(11,000)	(82,500)	-	-
Depreciation and amortisation	(1,207)	(856)	(630)	(614)	(3)	(3)	(1,840)	(1,473)
Other non-cash income / (expenses)	(3)	(836)	(292)	(14)	(1,656)	(191)	(1,951)	(1,041)
Share of results from associated company	1,313	-	-	-	-	-	1,313	-
Interest expenses	(21,175)	(10,865)	(365)	(399)	10,481	9,713	(11,059)	(1,551)
Segment profit / (loss)	<b>12,047</b>	<b>81,222</b>	<b>(463)</b>	<b>(599)</b>	<b>-</b>	<b>-</b>	<b>11,585</b>	<b>80,623</b>
<b>Assets:</b>								
Additions to non-current assets	194,517	151,433	365	-	-	-	194,882	151,433
Segment assets	<b>1,657,907</b>	<b>1,451,838</b>	<b>9,805</b>	<b>10,528</b>	<b>(463,997)</b>	<b>(412,018)</b>	<b>1,203,714</b>	<b>1,050,348</b>
<b>Segment liabilities</b>	<b>1,015,275</b>	<b>811,317</b>	<b>12,655</b>	<b>12,626</b>	<b>(414,404)</b>	<b>(368,993)</b>	<b>613,527</b>	<b>454,950</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**

As announced on 27 December 2017, the Company has entered into a conditional Share Sale Agreement ("SSA") with non-related parties for the acquisition of 3,000,000 ordinary shares being the entire paid up share capital of Kajang Heights Development Sdn Bhd ("KHDSB") for a cash consideration of RM70,000,000.00. The SSA was completed on 4 May 2018.

Save for the above, there were no material events subsequent to the statement of financial position date up to 22 May 2018, being the latest practicable date from the date of issuance of this Interim Financial Report.

**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  
31/3/2018  
RM' 000  
**49,000**

**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 31/3/2018 RM' 000	Preceding Year Corresponding Quarter 31/3/2017 RM' 000	Current Year to Date 31/3/2018 RM' 000	Preceding Year Corresponding Year to Date 31/3/2017 RM' 000
Malaysian income tax	(2,817)	(4,301)	(7,806)	(26,384)
Deferred tax	417	1,278	893	5,600
	<u>(2,400)</u>	<u>(3,023)</u>	<u>(6,913)</u>	<u>(20,784)</u>
Over/(Under) provision of Malaysian income tax in prior years	(56)	188	(261)	1,090
	<u>(2,456)</u>	<u>(2,835)</u>	<u>(7,174)</u>	<u>(19,694)</u>

**15 Corporate Proposals**

As of 22 May 2018, the Company has not announced any corporate proposal.

**16 Borrowings - Secured**

	As at 31/3/2018 RM' 000	As at 31/03/2017 RM' 000
Bank Overdrafts	15,802	-
Short Term Bank Borrowings	195,913	86,931
Long Term Bank Borrowings	230,106	191,454
	<u>441,821</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>12 months ended 31/3/2018</b>	<b>12 months ended 31/3/2017</b>
(a) Basic earnings per share			
Profit for the period	(RM' 000)	<u>4,411</u>	<u>60,929</u>
Weighted average number of ordinary shares	('000)	<u>352,000</u>	<u>352,000</u>
Basic earnings per share	(sen)	<b>1.25</b>	17.31
(b) Diluted earnings per share			
	(sen)	N/A	N/A

**20 Review of Group Performance**

For the quarter under review, the Group achieved profit after tax of RM3.07 million, representing a decrease of RM6.59 million (68%) as compared to the preceding year's corresponding quarter.

Revenue achieved for the quarter under review of RM86.74 million was RM6.06 million (8%) higher than the preceding year corresponding quarter.

Total unbilled sales at the end of the quarter under review stood at RM178.78 million.

The Group's earnings per share for the period ended 31 March 2018 was 1.25 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 31/3/2018 RM' 000</b>	<b>Preceding Year Corresponding Quarter 31/3/2017 RM' 000</b>	<b>Current Year to Date 31/3/2018 RM' 000</b>	<b>Preceding Year Corresponding Year to Date 31/3/2017 RM' 000</b>
<b>Revenue</b>				
Property Development	<b>86,475</b>	80,068	<b>228,914</b>	383,079
Other Operation	<b>265</b>	610	<b>1,777</b>	2,279
	<u><b>86,740</b></u>	<u>80,678</u>	<u><b>230,691</b></u>	<u>385,358</u>
<b>Profit before tax</b>				
Property Development	<b>5,673</b>	13,300	<b>12,048</b>	81,222
Other Operation	<b>(151)</b>	(813)	<b>(463)</b>	(599)
	<u><b>5,522</b></u>	<u>12,487</u>	<u><b>11,585</b></u>	<u>80,623</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 increased by 8% and profit before tax decreased by 57% as compared to the previous financial year corresponding quarter. The lower profit before tax was mainly due to lower margin.

**(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 RM5.52 million was RM4.33 million or 363% higher than the immediate preceding quarter ended 31 December 2017 of RM1.19 million.

**22 Current Year Prospects**

Though the financial performance could be better as compared to the previous financial years, the Board is of the opinion that financial performance is the best possible result that can be achieved considering the weak market conditions and subdued consumer sentiments.

The outlook for the property industry remains challenging. The Board continues to seek ways and implement measures to improve the financial performance for the financial year ending 31 March 2019.

The Board is cautiously optimistic that the Company would be able to post better results for the financial year ending 31 March 2019.

**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 22 May 2018.