

TO BE RELEASED TO BURSA



HUA YANG GROUP OF COMPANIES

INTERIM FINANCIAL RESULTS

FOURTH QUARTER ENDED 31 MARCH 2019

Interim Financial Statements 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	%	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE	%
	31/3/2019 RM' 000	31/3/2018 RM' 000 Restated	+ / (-)	31/3/2019 RM' 000	31/3/2018 RM' 000 Restated	+ / (-)
Revenue	77,853	86,062	(9.5)	277,364	227,357	22.0
Cost of Sales	(54,619)	(59,447)		(200,915)	(158,504)	
Gross Profit	23,234	26,615	(12.7)	76,449	68,853	11.0
Other Income	114	582		1,674	1,657	
Selling and Marketing Expenses	(4,372)	(6,438)		(12,613)	(13,785)	
Administrative and General Expenses	(16,640)	(10,393)		(40,630)	(31,224)	
Operating (Loss) / Profit	2,336	10,366	(77.5)	24,880	25,501	(2.4)
Finance Costs	(8,918)	(7,885)		(20,253)	(14,852)	
Share of Results of an Associate	(20,397)	(2,198)		(16,649)	1,313	
(Loss) / Profit Before Tax	(26,979)	282	9,651.0	(12,022)	11,961	(200.5)
Income Tax Expense	(2,469)	(1,857)		(8,846)	(6,710)	
(Loss) / Profit For The Period	(29,448)	(1,575)	(1,769.9)	(20,868)	5,251	(497.4)
(Loss) / Profit attributable to:						
Owners of the Company	(29,167)	(1,575)	(1,752.1)	(20,483)	5,251	(490.1)
Non-controlling Interests	(281)	-		(385)	-	
	(29,448)	(1,575)		(20,868)	5,251	
(Loss) / Earnings Per Share Attributable to Owners of the Company (sen)						
Basic, for (loss) / profit for the period	(8.29)	(0.45)	(1,752.1)	(5.82)	1.49	(490.1)

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2019

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	%	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING YEAR TO DATE	%
	31/3/2019 RM' 000	31/3/2018 RM' 000 Restated	+ / (-)	31/3/2019 RM' 000	31/3/2018 RM' 000 Restated	+ / (-)
(Loss) / Profit For The Period	(29,448)	(1,575)	(1,769.9)	(20,868)	5,251	(497.4)
Other Comprehensive Income For The Period, Net Of Income Tax	(1,211)	(2,848)	57.5	(4,352)	(2,581)	(68.6)
Total Comprehensive Income For The Period, Net Of Income Tax	(30,659)	(4,423)		(25,220)	2,670	
Total Comprehensive Income Attributable To :						
Owners of the Company	(30,378)	(4,423)	(586.8)	(24,835)	2,670	1,030.1
Non-controlling Interests	(281)	-		(385)	-	
	(30,659)	(4,423)		(25,220)	2,670	

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

Interest Income	75	418		526	813	
Other Income Including Investment Income	39	164		1,148	844	
Interest Expense	8,918	7,885		20,253	14,852	
Depreciation & Amortization	713	692		2,745	1,840	
Provision For/Write Off of Receivables	446	282		25	447	
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	8,514	966		8,514	1,504	
Gain/Loss on Foreign Exchange	(1,211)	(2,848)		(4,352)	(2,581)	
Gain/Loss on Derivatives	N/A	N/A		N/A	N/A	

N/A: Not Applicable

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 31/3/2019 RM' 000	(AUDITED) As at 31/3/2018 RM' 000 Restated
ASSETS		
Non-current assets		
Property, plant and equipment	15,102	16,611
Concession assets	7,345	8,559
Inventories - Land held for property development	532,490	455,572
Investment properties	1,694	1,739
Investment in associate	160,508	189,440
Other receivables	8,389	8,753
Fixed deposit with licenced bank	3,276	3,188
Intangible assets	28,969	15,182
Deferred tax assets	14,891	14,770
	<u>772,665</u>	<u>713,814</u>
Current assets		
Inventories - Completed properties	58,277	106,069
Inventories - Property development costs	203,571	222,373
Inventories - Others	11	-
Contract assets	64,598	43,380
Contract cost	22,241	18,807
Trade and other receivables	46,918	76,888
Other current assets	516	1,575
Tax recoverable	3,192	5,970
Cash and bank balances	16,587	16,280
	<u>415,911</u>	<u>491,342</u>
TOTAL ASSETS	<u>1,188,576</u>	<u>1,205,156</u>
EQUITY AND LIABILITIES		
Current liabilities		
Contract liabilities	4,253	1,355
Trade and other payables	156,949	132,694
Short term borrowings	92,460	211,715
Taxation	-	-
	<u>253,662</u>	<u>345,764</u>
Net current assets	<u>162,249</u>	<u>145,578</u>
Non-current liabilities		
Trade and other payables	6,540	18,988
Deferred tax liabilities	31,102	19,405
Long term borrowings	310,597	230,106
	<u>348,239</u>	<u>268,498</u>
TOTAL LIABILITIES	<u>601,901</u>	<u>614,262</u>
Net assets	<u>586,675</u>	<u>590,894</u>
Total equity attributable to owners of the Company		
Share capital	352,000	352,000
Reserves	214,059	238,894
	<u>566,059</u>	<u>590,894</u>
Non-controlling interests	20,616	-
TOTAL EQUITY	<u>586,675</u>	<u>590,894</u>
TOTAL EQUITY AND LIABILITIES	<u>1,188,576</u>	<u>1,205,156</u>
Net Assets Attributable to Owners of the Company	<u>586,675</u>	<u>590,894</u>
Net Assets Per Share Attributable to Owners of the Company (RM)	<u>1.67</u>	<u>1.68</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2019

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	Sub-Total	Non-controlling Interests	Total Equity
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
<u>12 months ended 31 March 2018</u>						
Balance as at 1 April 2017	352,000	-	243,398	595,398	-	595,398
Effects of adoption of the MFRS Framework	-	-	(135)	(135)	-	(135)
Balance as at 1 April 2017 (restated)	352,000	-	243,263	595,263	-	595,263
Profit for the period	-	-	5,251	5,251	-	5,251
Other comprehensive income for the period	-	(2,581)	-	(2,581)	-	(2,581)
Total comprehensive income for the period	-	(2,581)	5,251	2,670	-	2,670
Dividends	-	-	(7,040)	(7,040)	-	(7,040)
Balance as at 31 March 2018 (restated)	352,000	(2,581)	241,474	590,893	-	590,893
<u>12 months ended 31 March 2019</u>						
Balance as at 1 April 2018	352,000	(2,581)	240,769	590,188	-	590,188
Effects of adoption of the MFRS Framework	-	-	706	706	-	706
Balance as at 1 April 2018 (restated)	352,000	(2,581)	241,475	590,894	-	590,894
Loss for the period	-	-	(20,483)	(20,483)	(385)	(20,868)
Other comprehensive income for the period	-	(4,352)	-	(4,352)	-	(4,352)
Total comprehensive income for the period	-	(4,352)	(20,483)	(24,835)	(385)	(25,220)
Changes in ownerships interests in subsidiary	-	-	-	-	21,000	21,000
Balance as at 31 March 2019	352,000	(6,933)	220,992	566,059	20,616	586,675

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018 and the explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2019

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31/3/2019 RM' 000	12 months ended 31/3/2018 RM' 000 Restated
OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(12,022)	11,961
Adjustments for :		
Non-cash items	27,942	2,478
Non-operating items	16,234	10,246
Operating profit before changes in working capital	32,154	24,685
<i>Net change in current assets</i>		
Receivables	31,370	69,104
Contract assets	(18,321)	(42,024)
Contract cost	(3,435)	(18,807)
Inventories - completed properties	47,780	15,817
Inventories - property development costs	18,802	13,769
<i>Net change in current liabilities</i>		
Payables	11,809	3,693
Cash generated from operations	120,159	66,236
Tax paid	(7,666)	(15,834)
Interest received	526	475
Net cash from operating activities	113,019	50,878
INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(599)	(9,179)
Net cash outflow on acquisition of a subsidiary	(69,386)	(21,000)
Net cash outflow on acquisition of an associate	-	(124,007)
Proceeds from disposal of property, plant and equipment	29	-
Proceeds from disposal of shares in subsidiary	21,000	-
Additions to inventories - land held for future development	(8,145)	(50,719)
Net cash used in investing activities	(57,101)	(204,905)
FINANCING ACTIVITIES		
Proceeds from borrowings	264,135	247,197
Repayment of borrowings	(303,077)	(99,564)
Change in pledged deposits	(88)	(86)
Dividend paid	-	(14,080)
Interest paid	(16,759)	(23,590)
Net cash (used in) / from financing activities	(55,789)	109,877
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	129	(44,151)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	478	44,629
CASH AND CASH EQUIVALENTS AT END OF PERIOD	607	478
Cash and cash equivalents comprise of :		
Deposits, bank and cash balances	16,587	16,280
Bank overdrafts	(15,980)	(15,802)
	607	478

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* and paragraph 9.22 of the 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 2018 which were prepared under Financial Reporting Standards ("FRS"). These explanatory notes attached to the interim financial statements 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 financial year ended 31 March 2018.

The Group is adopting the MFRS framework for the current financial reporting period beginning 1 April 2018 and MFRS 1 *First-time Adoption of Malaysian Financial Reporting Reporting Standards* has been applied. The Group has consistently applied the same accounting policies in its opening MFRS Statement of Financial Position as at 1 April 2017, being the transition date, and throughout all comparable interim financial statements presented, as if these policies had always been in effect.

A number of new standards and amendments to Standards and Issues Committee ("IC") Interpretations are effective for the current financial period beginning 1 April 2018. None of these is expected to have a significant effect on the consolidated financial statements of the Group except for the following set out below:

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 15	Revenue from Contracts with Customers

The financial impact to the interim financial statements of the Group arising from the adoption of MFRS 15 are as follows:

1 Basis of Preparation (continued)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	As previously stated RM' 000	Adjustments RM' 000	As restated RM' 000
ASSETS			
Non-current assets			
Property, plant and equipment	16,611	-	16,611
Concession assets	8,559	-	8,559
Inventories - Land held for property development	456,353	(779)	455,572
Investment properties	1,739	-	1,739
Investment in associate	189,440	-	189,440
Other receivables	8,753	-	8,753
Fixed deposit with licenced bank	3,188	-	3,188
Intangible assets	15,182	-	15,182
Deferred tax assets	14,608	162	14,770
	<u>714,433</u>	<u>(617)</u>	<u>713,814</u>
Current assets			
Inventories - Completed properties	106,069	-	106,069
Inventories - Property development costs	239,308	(16,935)	222,373
Contract assets	-	43,380	43,380
Contract cost	-	18,807	18,807
Trade and other receivables	76,888	-	76,888
Other current assets	44,955	(43,380)	1,575
Tax recoverable	5,784	187	5,970
Cash and bank balances	16,280	-	16,280
	<u>489,284</u>	<u>2,059</u>	<u>491,342</u>
TOTAL ASSETS	<u>1,203,717</u>	<u>1,442</u>	<u>1,205,156</u>
EQUITY AND LIABILITIES			
Current liabilities			
Contract liabilities	-	1,355	1,355
Trade and other payables	132,109	584	132,694
Other current liabilities	1,361	(1,361)	-
Short term borrowings	211,715	-	211,715
	<u>345,187</u>	<u>579</u>	<u>345,764</u>
Net current assets	<u>144,096</u>	<u>1,479</u>	<u>145,579</u>
Non-current liabilities			
Trade and other payables	18,988	-	18,988
Deferred tax liabilities	19,248	157	19,405
Long term borrowings	230,106	-	230,106
	<u>268,342</u>	<u>157</u>	<u>268,498</u>
TOTAL LIABILITIES	<u>613,529</u>	<u>736</u>	<u>614,262</u>
Net assets	<u>590,188</u>	<u>706</u>	<u>590,894</u>
Total equity attributable to owners of the Company			
Share capital	352,000	-	352,000
Reserves	238,188	706	238,894
TOTAL EQUITY	<u>590,188</u>	<u>706</u>	<u>590,894</u>
TOTAL EQUITY AND LIABILITIES	<u>1,203,717</u>	<u>1,442</u>	<u>1,205,156</u>

1 Basis of Preparation (continued)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018

	As previously stated RM' 000	Adjustments RM' 000	As restated RM' 000
Revenue	230,691	(3,335)	227,357
Cost of Sales	(161,883)	3,379	(158,504)
Gross Profit	<u>68,808</u>	<u>44</u>	<u>68,853</u>
Other Income	1,657	-	1,657
Selling and Marketing Expenses	(17,910)	4,125	(13,785)
Administrative and General Expenses	(31,224)	-	(31,224)
Operating Profit	<u>21,331</u>	<u>4,170</u>	<u>25,501</u>
Finance Costs	(11,059)	(3,793)	(14,852)
Share of Results of an Associate	1,313	-	1,313
Profit Before Taxation	<u>11,585</u>	<u>376</u>	<u>11,961</u>
Income Tax Expense	(7,174)	464	(6,710)
Profit For The Period	<u>4,411</u>	<u>840</u>	<u>5,251</u>
Other comprehensive income, net of tax: Items that will be reclassified subsequently to profit or loss Share of loss of equity accounted associate	(2,581)	-	(2,581)
Total comprehensive income for the period	<u><u>1,830</u></u>	<u><u>840</u></u>	<u><u>2,670</u></u>
Profit attributable to:			
Owners of the Company	4,411	840	5,251
Non-controlling Interests	-	-	-
	<u>4,411</u>	<u>840</u>	<u>5,251</u>
Total comprehensive income attributable to:			
Owners of the Company	1,830	840	2,670
Non-controlling Interests	-	-	-
	<u>1,830</u>	<u>840</u>	<u>2,670</u>

1 Basis of Preparation (continued)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

	As previously stated	Adjustments	As restated
	RM' 000	RM' 000	RM' 000
Net cash from operating activities	51,657	(779)	50,878
Net cash used in investing activities	(205,684)	779	(204,905)
Net cash from financing activities	109,876	0	109,876
Net decrease in cash and cash equivalents	(44,151)	(0)	(44,151)
Cash and cash equivalents at 1 April 2017	44,629	(0)	44,629
Cash and cash equivalents at 31 March 2018	478	(0)	478

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1 Basis of Preparation (continued)

The Group has yet to adopt the following MFRSs, amendments to MFRSs and IC Interpretations that have been issued but not yet effective:

	Effective for financial periods beginning on or after
Annual Improvements to MFRSs 2015-2017 Cycle	1 January 2019
MFRS 16 Leases	1 January 2019
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to MFRS 9 Prepayment Features with Negative Compensation	1 January 2019
Amendments to MFRS 119 Employee Benefits (Plan Amendment, Curtailment or Settlement)	1 January 2019
Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures	1 January 2019
Amendments to MFRS 3 Business Combinations	1 January 2020
Amendments to MFRS 101 Presentation of Financial Statements	1 January 2020
Amendments to MFRS 10 and MFRS 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.

2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2018 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 follows:

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

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 MFRS 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	
	31/3/2019 RM' 000	31/3/2018 RM' 000	31/3/2019 RM' 000	31/3/2018 RM' 000	31/3/2019 RM' 000	31/3/2018 RM' 000	31/3/2019 RM' 000	31/3/2018 RM' 000
Revenue:								
External customers	276,256	225,580	1,108	1,777	-	-	277,364	227,357
Inter-segment	7,270	8,005	-	-	(7,270)	(8,005)	-	-
	283,526	233,585	1,108	1,777	(7,270)	(8,005)	277,364	227,357
Results:								
Interest income	15,645	11,256	-	-	(15,119)	(10,443)	526	813
Depreciation and amortisation	(2,093)	(1,207)	(649)	(630)	(3)	(3)	(2,745)	(1,840)
Other non-cash income / (expenses)	(8,523)	(1,659)	(24)	(292)	-	-	(8,547)	(1,951)
Share of results of an Associate	(16,649)	1,313	-	-	-	-	(16,649)	1,313
Interest expenses	(35,181)	(24,930)	(407)	(365)	15,336	10,443	(20,253)	(14,852)
Segment profit / (loss)	(9,962)	12,424	(2,061)	(463)	-	-	(12,022)	11,961
Assets:								
Additions to non-current assets	25,720	194,517	355	365	-	-	26,075	194,882
Segment assets	1,788,033	1,659,348	9,865	9,805	(609,323)	(463,997)	1,188,576	1,205,156
Segment liabilities	1,148,370	1,016,011	14,159	12,655	(560,628)	(414,404)	601,901	614,262

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 2018.

10 Material Events Subsequent to the End of the Reporting Period

There were no material events subsequent to the statement of financial position date up to 29 May 2019, 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 2018.

13 Capital Commitments

There were no outstanding capital commitments for the Group as at 31 March 2019.

**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 31/3/2019 RM' 000	Preceding Year Corresponding Quarter 31/3/2018 RM' 000 Restated	Current Year to Date 31/3/2019 RM' 000	Preceding Year Corresponding Year to Date 31/3/2018 RM' 000 Restated
Malaysian income tax	(927)	(2,817)	(9,807)	(7,806)
Deferred tax	(1,542)	1,016	1,247	1,357
	<u>(2,469)</u>	<u>(1,801)</u>	<u>(8,560)</u>	<u>(6,449)</u>
Over/(Under) provision of Malaysian income tax in prior years	0	(56)	(286)	(261)
	<u>(2,469)</u>	<u>(1,857)</u>	<u>(8,846)</u>	<u>(6,710)</u>

15 Corporate Proposals

As of 29 May 2019, the Company has not announced any corporate proposal.

16 Borrowings - Secured

	As at 31/3/2019 RM' 000	As at 31/3/2018 RM' 000
Short Term Bank Borrowings	92,460	211,715
Long Term Bank Borrowings	310,597	230,106
	<u>403,057</u>	<u>441,821</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.

		12 months ended 31/3/2019	12 months ended 31/3/2018 Restated
(a) Basic earnings per share			
(Loss) / Profit for the period	(RM' 000)	<u>(20,483)</u>	<u>5,251</u>
Weighted average number of ordinary shares	('000)	<u>352,000</u>	<u>352,000</u>
Basic (loss) / earnings per share	(sen)	(5.82)	1.49
(b) Diluted earnings per share			
	(sen)	N/A	N/A

20 Review of Group Performance

For the quarter under review, the Group incurred loss before tax of RM26.98 million, representing an increase of RM27.26 million (9,651%) as compared to the preceding year's corresponding quarter.

Revenue achieved for the quarter under review of RM77.85 million was RM8.21 million (10%) lower than the preceding year corresponding quarter.

For the year under review, the Group recorded loss before tax of RM12.02 million, representing an increase of RM23.98 million (200%) as compared to the preceding year's mainly due to the recognition of impairment on investment in the associate company of RM7.93 million and share of loss of the associate company of RM16.65 million. If the impairment and share of loss are excluded, the Group would have recorded a profit before tax of RM12.56 million from its core business of property development.

Revenue achieved for the year under review of RM277.36 million was RM50.0 million (22%) higher than the preceding year corresponding quarter.

Total unbilled sales at the end of the year stood at RM204.91 million. The Group has undeveloped landbank of 472 acres across key regions with an estimated GDV of RM5.3 billion.

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

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/3/2019 RM' 000	Preceding Year Corresponding Quarter 31/3/2018 RM' 000 Restated	% + / (-)	Current Year to Date 31/3/2019 RM' 000	Preceding Year Corresponding Year to Date 31/3/2018 RM' 000 Restated	% + / (-)
Revenue						
Property Development	77,536	85,797	(9.6)	276,256	225,580	22.5
Other Operation	317	265	19.8	1,108	1,777	(37.6)
	<u>77,853</u>	<u>86,062</u>	(9.5)	<u>277,364</u>	<u>227,357</u>	22.0
(Loss) / Profit before tax						
Property Development	(25,296)	433	(5,935.5)	(9,961)	12,424	(180.2)
Other Operation	(1,683)	(151)	(1,014.5)	(2,061)	(463)	(345.1)
	<u>(26,979)</u>	<u>282</u>	9,651.0	<u>(12,022)</u>	<u>11,961</u>	(200.5)

**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 10% and 5,936% respectively as compared to the previous financial year corresponding quarter due to share of losses of an associate company.

(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 and newly established franchising food and beverage outlet, namely "Kluang Station" at One South.

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

The Group's loss before tax for the quarter under review of RM26.98 million was RM34.84 million or 443% lower than the immediate preceding quarter ended 31 December 2018 profit of RM7.86 million.

	Quarter Ended		% + / (-)
	31/3/2019 RM' 000	31/12/2018 RM' 000 Restated	
Revenue	77,853	68,424	13.8
Cost of Sales	<u>(54,619)</u>	<u>(49,562)</u>	
Gross Profit	23,234	18,862	23.2
Other Income	114	456	
Selling and Marketing Expenses	(4,372)	(2,627)	
Administrative and General Expenses	<u>(16,640)</u>	<u>(7,066)</u>	
Operating Profit	2,336	9,625	(75.7)
Finance Costs	(8,918)	(3,399)	
Share of Results of Associate	<u>(20,397)</u>	1,637	
Profit Before Tax	(26,979)	7,863	(443.1)
Income Tax Expense	<u>(2,469)</u>	<u>(2,195)</u>	
Profit After Tax	<u>(29,448)</u>	<u>5,668</u>	(619.6)

22 Current Year Prospects

For the financial year ended 31 March 2019, the Group had focused on driving sales for on-going projects and inventory units amidst a sluggish and challenging property sector.

Recognising that the underlying conditions of the property sector remain weak, the Board will continue to evaluate and take innovative measures to further strengthen our operations and management to achieve better performance for the coming financial year ending 31 March 2020.

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 29 May 2019.