

TO BE RELEASED TO BURSA



HUA YANG GROUP OF COMPANIES

INTERIM FINANCIAL RESULTS

FOURTH QUARTER ENDED 31 MARCH 2021

Interim Financial Statements for the financial period ended 31 March 2021
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	%
	31/03/2021 RM' 000	31/03/2020 RM' 000		31/03/2021 RM' 000	31/03/2020 RM' 000	
Revenue	76,922	56,917	35.1	159,878	279,614	(42.8)
Cost of Sales	(72,211)	(43,063)		(136,791)	(206,210)	
Gross Profit	4,711	13,854	<i>(66.0)</i>	23,087	73,404	<i>(68.5)</i>
Other Income	1,463	901		2,063	1,955	
Selling and Marketing Expenses	(5,558)	(2,686)		(9,903)	(12,569)	
Administrative and General Expenses	(17,302)	(6,269)		(33,481)	(27,559)	
Net Gain on Impairment of Financial Instruments	10,285	(74,707)		28,809	(74,707)	
Operating Profit / (Loss)	(6,401)	(68,907)	<i>90.7</i>	10,575	(39,476)	<i>126.8</i>
Finance Costs	(2,633)	(3,659)		(11,812)	(14,616)	
Share of Results of an Associate	(42,339)	(3,721)		(46,696)	(10,183)	
Loss Before Tax	(51,373)	(76,287)	<i>32.7</i>	(47,933)	(64,275)	<i>25.4</i>
Tax Expense	(3,505)	(3,074)		(3,112)	(8,939)	
Loss For The Period	(54,878)	(79,361)	<i>30.9</i>	(51,045)	(73,214)	<i>30.3</i>
Loss attributable to:						
Owners of the Company	(54,861)	(79,355)	<i>30.9</i>	(50,963)	(73,133)	<i>30.3</i>
Non-controlling Interests	(17)	(6)		(82)	(81)	
	(54,878)	(79,361)		(51,045)	(73,214)	
Earnings Per Share Attributable to Owners of the Company (sen)						
Basic, for profit for the period	(15.59)	(22.54)	<i>30.9</i>	(14.48)	(20.78)	<i>30.3</i>

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2021

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	%
	31/03/2021 RM' 000	31/03/2020 RM' 000	+ / (-)	31/03/2021 RM' 000	31/03/2020 RM' 000	+ / (-)
Loss For The Period	(54,878)	(79,361)	30.9	(51,045)	(73,214)	30.3
Other Comprehensive Income For The Period, Net Of Tax	2,216	706	213.9	3,997	(1,023)	490.7
Total Comprehensive Income For The Period, Net Of Tax	(52,662)	(78,655)		(47,048)	(74,237)	
Total Comprehensive Income Attributable To :						
Owners of the Company	(52,645)	(78,649)	33.1	(46,966)	(74,156)	36.7
Non-controlling Interests	(17)	(6)		(82)	(81)	
	(52,662)	(78,655)		(47,048)	(74,237)	

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

Interest Income	160	155		356	411	
Other Income Including Investment Income	1,303	746		1,707	1,544	
Interest Expense	2,633	3,659		11,812	14,616	
Depreciation & Amortization	844	1,401		3,837	3,595	
Provision For/Write Off of Receivables	(24)	(6)		12	(3)	
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	
Gain/Loss on Impairment of Assets	10,285	(74,707)		28,809	(74,707)	
Gain/Loss on Foreign Exchange	2,216	706		3,997	(1,023)	
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 2020 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) As at 31/03/2021 RM' 000	(AUDITED) As at 31/03/2020 RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	12,409	14,569
Right-of-use assets	612	719
Concession assets	6,653	7,186
Inventories - Land held for property development	587,451	448,180
Investment properties	1,607	1,653
Investment in associate	60,705	74,595
Other receivables	5,351	7,039
Fixed deposit with licenced bank	3,100	3,642
Intangible assets	9,596	9,596
Deferred tax assets	19,486	19,750
	<u>706,970</u>	<u>586,929</u>
Current assets		
Inventories - Completed properties	68,992	63,052
Inventories - Property development costs	49,402	262,764
Inventories - Others	21	25
Contract assets	37,742	60,030
Contract cost	9,277	9,447
Trade and other receivables	34,207	53,240
Other current assets	1,497	568
Cash and bank balances	65,884	33,272
	<u>267,021</u>	<u>482,398</u>
TOTAL ASSETS	<u>973,992</u>	<u>1,069,327</u>
EQUITY AND LIABILITIES		
Current liabilities		
Contract liabilities	3,517	21,772
Trade and other payables	133,849	139,787
Short term borrowings	67,856	152,901
Lease liabilities	496	661
Taxation	6,849	7,188
	<u>212,566</u>	<u>322,309</u>
Net current assets	<u>54,455</u>	<u>160,089</u>
Non-current liabilities		
Trade and other payables	37,933	34,096
Deferred tax liabilities	34,820	35,265
Long term borrowings	224,613	166,623
Lease liabilities	203	128
	<u>297,569</u>	<u>236,112</u>
TOTAL LIABILITIES	<u>510,135</u>	<u>558,421</u>
Net assets	<u>463,856</u>	<u>510,906</u>
Total equity attributable to owners of the Company		
Share capital	352,000	352,000
Reserves	89,441	136,409
	<u>441,441</u>	<u>488,409</u>
Non-controlling interests	22,415	22,497
TOTAL EQUITY	<u>463,856</u>	<u>510,906</u>
TOTAL EQUITY AND LIABILITIES	<u>973,992</u>	<u>1,069,327</u>
Net Assets Attributable to Owners of the Company	441,441	488,409
Net Assets Per Share Attributable to Owners of the Company (RM)	1.25	1.39

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2020 and the accompanying explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2021

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Attributable to Owners of the Company ----->						
	<----- Non-distributable ----->			<- Distributable ->		Non-controlling Interests RM' 000	Total Equity RM' 000
	Share Capital RM' 000	Foreign Currency Exchange Reserve RM' 000	Retained Earnings RM' 000	Sub-Total RM' 000			
<u>12 months ended 31 March 2020</u>							
At 1 April 2019	352,000	(6,933)	217,498	562,565	22,578	585,143	
Loss for the period	-	-	(73,133)	(73,133)	(81)	(73,214)	
Share of losses of equity-accounted associate	-	(1,023)	-	(1,023)	-	(1,023)	
Total comprehensive income for the period	-	(1,023)	(73,133)	(74,156)	(81)	(74,237)	
At 31 March 2020	352,000	(7,956)	144,365	488,409	22,497	510,906	
<u>12 months ended 31 March 2021</u>							
At 1 April 2020	352,000	(7,956)	144,365	488,409	22,497	510,906	
Loss for the period	-	-	(50,963)	(50,963)	(82)	(51,045)	
Share of gain of equity-accounted associate	-	3,997	-	3,997	-	3,997	
Total comprehensive income for the period	-	3,997	(50,963)	(46,966)	(82)	(47,048)	
At 31 March 2021	352,000	(3,959)	93,402	441,443	22,415	463,858	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2020 and the explanatory notes attached to the interim financial statements.

Interim Financial Statements for the financial period ended 31 March 2021

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31/03/2021 RM' 000	12 months ended 31/03/2020 RM' 000
OPERATING ACTIVITIES		
Loss before tax	(47,933)	(64,275)
Adjustments for :		
Non-cash items	21,928	88,882
Non-operating items	11,456	14,025
Operating (loss) / profit before changes in working capital	(14,550)	38,632
<i>Net change in current assets</i>		
Receivables	19,399	(8,585)
Contract assets	22,288	10,088
Contract cost	170	14,800
Inventories - completed properties	(5,935)	33,967
Inventories - property development costs	80,468	16,247
<i>Net change in current liabilities</i>		
Contract liabilities	(18,255)	(4,377)
Payables	(2,101)	29,728
Cash generated from operations	81,483	130,500
Tax paid	(3,661)	(11,551)
Tax refund	-	6,222
Interest paid	(11,812)	(1,413)
Interest received	356	411
Net cash from operating activities	66,367	124,169
INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(177)	(2,469)
Proceeds from disposal of property, plant and equipment	0	35
Net cash used in investing activities	(177)	(2,434)
FINANCING ACTIVITIES		
Drawdown of loans and borrowings	55,400	56,774
Repayment of loans and borrowings	(79,337)	(150,290)
Payment of lease liabilities	(714)	(863)
Change in pledged deposits	542	(366)
Interest paid	(6,352)	(20,370)
Net cash used in financing activities	(30,460)	(115,115)
NET INCREASE IN CASH AND CASH EQUIVALENTS	35,730	6,620
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	7,227	607
CASH AND CASH EQUIVALENTS AT END OF PERIOD	42,957	7,227
Cash and cash equivalents comprise of :		
Deposits, bank and cash balances	65,884	33,272
Bank overdrafts	(22,927)	(26,045)
	42,957	7,227

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2020 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 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2020. 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 year ended 31 March 2020.

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 2020 save for the adoption of the following new and amended MFRSs and interpretations that are mandatory for the Group for the financial year commencing 1 April 2020:

Amendments to MFRS 3, Business Combinations - Definition of a Business

Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement and MFRS 7, Financial Instruments: Disclosures - Interest Rate Benchmark Reform

Amendments to MFRS 101, Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material

The Group has yet to adopt the following new and amended MFRSs and interpretations that have been issued but not yet effective:

	Effective for financial periods beginning on or after
Amendments to MFRS 16, Leases - Covid-19-Related Rent Concessions	1 June 2020
MFRS 17, Insurance Contracts	1 January 2021
Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to MFRS 3, Business Combinations - Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to Illustrative Examples accompanying MFRS 16, Leases (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to MFRS 101, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 116, Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 141, Agriculture (Annual Improvements to MFRS Standards 2018-2020)	1 January 2022
Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Yet to be confirmed

These new and amended standards are not expected to have any 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 2020 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.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

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)	Repayment (RM' 000)	Amount outstanding (RM' 000)
31 March 2016	18,450	7,908	10,542
26 April 2016	21,250	21,250	-
28 September 2017	13,000	1,858	11,142
Total	52,700	31,016	21,684

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.

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	
	31/03/2021 RM' 000	31/03/2020 RM' 000	31/03/2021 RM' 000	31/03/2020 RM' 000	31/03/2021 RM' 000	31/03/2020 RM' 000	31/03/2021 RM' 000	31/03/2020 RM' 000
Revenue:								
External customers	151,688	275,986	8,190	3,628	-	-	159,878	279,614
Inter-segment	5,884	8,726	-	73	(5,884)	(8,799)	-	-
	157,571	284,712	8,190	3,701	(5,884)	(8,799)	159,878	279,614
Results:								
Interest income	12,041	16,677	102	-	(11,788)	(16,266)	356	411
Depreciation and amortisation	(2,897)	(2,873)	(938)	(719)	(3)	(3)	(3,837)	(3,595)
Other non-cash income/ (expenses)	28,676	120	(71)	-	-	-	28,605	120
Share of results of an Associate	(46,696)	(10,183)	-	-	-	-	(46,696)	(10,183)
Interest expenses	(22,672)	(14,187)	(310)	(429)	11,170	-	(11,812)	(14,616)
Segment (loss)/profit	(47,396)	(62,062)	(538)	(2,213)	-	-	(47,933)	(64,275)
Assets:								
Additions to non-current assets	10,003	26,895	170	-	-	-	10,173	26,895
Segment assets	1,565,538	1,696,334	17,487	18,054	(609,032)	(645,061)	973,992	1,069,327
Segment liabilities	994,822	1,183,975	18,648	17,748	(503,336)	(643,302)	510,135	558,421

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 2020.

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 24 May 2021, being the latest practicable date from the date of issuance of this Interim Financial Report.

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

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 2020.

13 Capital Commitments

Commitments to purchase land held for property development as at 31 March 2021

- Approved and contracted for

2,610

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

14 Tax Expense

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2021 RM' 000	Preceding Year Corresponding Quarter 31/03/2020 RM' 000	Current Year to Date 31/03/2021 RM' 000	Preceding Year Corresponding Year to Date 31/03/2020 RM' 000
Malaysian income tax	(2,994)	(7,595)	(4,374)	(16,351)
Deferred tax	(507)	4,515	210	7,122
	<u>(3,501)</u>	<u>(3,080)</u>	<u>(4,164)</u>	<u>(9,229)</u>
(Under)/Over provision of Malaysian income tax in prior years	(4)	6	1,052	290
	<u>(3,505)</u>	<u>(3,074)</u>	<u>(3,112)</u>	<u>(8,939)</u>

The effective tax rate of the Group after adjusting the gain on impairment of financial instruments and share of losses in an associate company was higher than the statutory tax rate mainly due to losses in certain subsidiaries which are not available for set off against taxable profit in other subsidiaries within the Group.

15 Corporate Proposals

As of 24 May 2021, the Company has not announced any corporate proposal.

16 Borrowings - Secured

	As at 31/03/2021 RM' 000	As at 31/03/2020 RM' 000
Short Term Bank Borrowings	67,856	152,901
Long Term Bank Borrowings	224,613	166,623
	<u>292,469</u>	<u>319,524</u>

17 Changes in Material Litigation

On 6 April 2021, Hua Yang Berhad received a Writ of Summons and Statement of Claim (“Claim”) served by the solicitors for Apple Rainbow Sdn Bhd and three other parties (the “Plaintiffs”). The Plaintiffs are seeking for the following reliefs:

- (i) Special damages amounting to RM11,042,725.52;
- (ii) General damages to be quantified by the Court;
- (iii) Interest of 5% per year on the said sum of RM11,042,724.52 to be calculated from the date of filing of the Claim until the date of full settlement;
- (iv) Cost; and
- (v) Exemplary damages to be assessed by the Court.

The Company has submitted its Defence on 4 May 2021 and the next case management has been fixed on 9 June 2021.

Other than the above, 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 31/03/2021	12 months ended 31/03/2020
(a) Basic earnings per share			
Loss for the period	(RM' 000)	<u>(50,963)</u>	<u>(73,133)</u>
Weighted average number of ordinary shares	('000)	<u>352,000</u>	<u>352,000</u>
Basic earnings per share	(sen)	(14.48)	(20.78)
(b) Diluted earnings per share			
	(sen)	N/A	N/A

20 Review of Group Performance

For the quarter under review, the Group achieved revenue of RM76.92 million, representing an increase of RM20.00 million (+35%) as compared to the preceding year's corresponding quarter.

The Group recorded loss before tax of RM51.37 million for the quarter under review as compared to loss before tax of RM76.29 million for the preceding year's corresponding quarter.

Total unbilled sales at the end of the quarter under review stood at RM132.42 million.

The Group has undeveloped landbank of 416 acres across key regions with an estimated GDV of RM5.0 billion.

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

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31/03/2021 RM' 000	Preceding Year Corresponding Quarter 31/03/2020 RM' 000	% +/-	Current Year to Date 31/03/2021 RM' 000	Preceding Year Corresponding Year to Date 31/03/2020 RM' 000	% +/-
Revenue						
Property Development	73,693	55,630	32.5	151,688	275,913	(45.0)
Other Operations	3,229	1,287	150.9	8,190	3,701	121.3
	<u>76,922</u>	<u>56,917</u>	35.1	<u>159,878</u>	<u>279,614</u>	(42.8)
Loss before tax						
Property Development	(51,808)	(75,168)	31.1	(47,395)	(62,062)	23.6
Other Operations	435	(1,119)	138.9	(538)	(2,213)	75.7
	<u>(51,373)</u>	<u>(76,287)</u>	(32.7)	<u>(47,933)</u>	<u>(64,275)</u>	(25.4)

**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 35% while loss before tax is lower by 33% as compared to the previous financial year corresponding quarter.

The increase in revenue was attributed to higher sales and completion of Astetica Residence while the reduction in loss before tax was due to reversal of impairment on investment in associate.

(b) Other operations:

Revenue and profit from other operations consist mainly of rental income derived from the operation of commercial properties under the "build, operate and transfer" concession with local authorities, operation of franchised food and beverage and laundry outlet and trading of building materials.

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

For the quarter under review, the Group achieved loss before tax of RM51.37 million as compared to profit of RM13.26 million in the immediate preceding quarter ended 31 December 2020. The increase was due to share of higher losses of results of associate.

	Quarter Ended		%
	31/03/2021	31/12/2020	
	RM' 000	RM' 000	+ / (-)
Revenue	76,922	33,900	126.9
Cost of Sales	(72,211)	(24,232)	
Gross Profit	4,711	9,668	(51.3)
Other Income	1,463	191	
Selling and Marketing Expenses	(5,558)	(1,314)	
Administrative and General Expenses	(17,302)	(5,639)	
Net Gain on Impairment of Financial Instruments	10,285	14,805	
Operating Profit	(6,401)	17,711	(136.1)
Finance Costs	(2,633)	(2,773)	
Share of Results of Associate	(42,339)	(1,674)	
(Loss)/Profit Before Tax	(51,373)	13,264	(487.3)
Income Tax Expense	(3,505)	1,116	
(Loss)/Profit After Tax	(54,879)	14,380	(481.6)

22 Current Year Prospects

The financial year ended 31 March 2021 had been a difficult year for the Group characterised by weak consumer sentiments and demand in a sluggish economy ravaged by the adverse effects of Covid-19 pandemic.

The Group continues to exercise prudence in the conduct of its business including withholding any new launches of its projects and concentrate instead in driving sales for on-going projects and clearing inventory units through various promotional marketing schemes and incentives to attract buyers.

In the meantime, the Group continues with its efforts to strengthen its management and prepare all such groundwork necessary in readiness for the full resumption of its business activities and operations to generate a better set of results for the financial year ending 31 March 2022.

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 May 2021.