

Y&G CORPORATION BHD

(Co No : 6403-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 DEC 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31 Dec 2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 Dec 2015 RM'000	CURRENT YEAR TODATE 31 Dec 2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 Dec 2015 RM'000
Revenue	33,789	8,403	116,428	165,626
Operating expenses	(27,911)	(7,781)	(93,620)	(130,776)
Other operating income	904	211	2,701	2,143
Profit From Operations	6,782	833	25,509	36,993
Interest income	137	18	477	1,462
Interest expenses	(13)	(8)	(39)	(25)
Profit Before Tax	6,906	843	25,947	38,430
Taxation	(2,268)	626	(7,485)	(9,336)
Profit For The Year	4,638	1,469	18,462	29,094
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	4,638	1,469	18,462	29,094
Attributable to:				
Equity holders of the parent	4,620	1,699	18,431	29,123
Non-controlling interests	18	(230)	31	(29)
	4,638	1,469	18,462	29,094
Total Comprehensive Income / (Loss) attributable to equity holders of the parent :				
a) Basic Earnings per share (Sen)	2.32	0.85	9.24	14.61
b) Diluted	1.74	0.64	6.92	10.94

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2015 and the accompanying notes attached to the Interim Financial Statements)

Y&G CORPORATION BHD

(Co No : 6403-X)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DEC 2016

	As at end of Current Quarter 31 Dec 2016 RM'000	As at Preceding Year Ended 31 Dec 2015 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	21,105	20,461
Land held for property development	97,224	110,386
Goodwill on consolidation	556	555
	<u>118,885</u>	<u>131,402</u>
CURRENT ASSETS		
Property development costs	78,137	82,107
Inventories	42,060	31,694
Trade receivables	36,590	38,555
Accrued Billings	13,286	7,094
Other receivables, deposits and prepayments	25,967	27,263
Cash and bank balances	38,709	37,208
Deferred tax asset	-	895
	<u>234,749</u>	<u>224,816</u>
TOTAL ASSETS	<u>353,634</u>	<u>356,218</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of parent -		
Share capital	199,384	199,384
Irredeemable convertible preference shares	19,094	19,094
Warrants reserve	2,584	2,584
Retained earnings	52,261	44,754
	<u>273,323</u>	<u>265,816</u>
NON-CONTROLLING INTEREST	370	340
TOTAL EQUITY	<u>273,693</u>	<u>266,156</u>
NON-CURRENT LIABILITIES		
Long term borrowings	1,012	405
Deferred tax liabilities	11,813	12,803
	<u>12,825</u>	<u>13,208</u>
CURRENT LIABILITIES		
Trade payables	48,736	61,099
Other payables and accruals	5,140	5,251
Amount due to directors	794	5,519
Short term borrowings	283	176
Taxation	1,239	4,809
Dividend Payable	10,924	-
	<u>67,116</u>	<u>76,854</u>
TOTAL LIABILITIES	79,941	90,062
TOTAL EQUITY AND LIABILITIES	<u>353,634</u>	<u>356,218</u>
	-	-
Net assets / share attributable to ordinary equity holders of the parent (RM)	1.37	1.33

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2015 and the accompanying notes attached to the Interim Financial Statements)

Y&G CORPORATION BHD

(Co No : 6403-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DEC 2016**

	Share Capital	Irredeemable Convertible Preference Shares	Warrant Reserve	Retained Earnings	Non - Controlling Interest	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current Quarter						
Balance as at 1 January 2016	199,384	19,094	2,584	44,754	339	266,155
Profit after Tax	-	-	-	18,431	31	18,462
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	18,431	31	18,462
Transaction with owners :						
Issue of ordinary shares from conversion of warrant*	-	-	-	-	-	-
Dividend paid	-	-	-	(10,924)	-	(10,924)
Total transactions with owners	-	-	-	(10,924)	-	(10,924)
Balance as at 31 December 2016	199,384	19,094	2,584	52,261	370	273,693
Preceding Year's Corresponding Quarter						
Balance as at 1 January 2015	199,384	19,094	2,584	35,977	1,869	258,908
Profit after Tax	-	-	-	29,123	(29)	29,094
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	29,123	(29)	29,094
Transaction with owners :						
Issue of ordinary shares from conversion of warrant*	-	-	-	-	-	-
Dividend paid	-	-	-	(21,848)	-	(21,848)
Total transactions with owners	-	-	-	(21,848)	-	(21,848)
Balance as at 31 December 2015	199,384	19,094	2,584	43,252	1,840	266,154

* : Negligible

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2015 and the accompanying notes attached to the Interim Financial Statements)

Y&G CORPORATION BHD

(Co No : 6403-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 DEC 2016**

	Current Quarter Ended 31 Dec 2016 RM'000	Preceding Year Quarter 31 Dec 2015 RM'000
PROFIT BEFORE TAX	25,947	38,430
ADJUSTMENTS :		
Depreciation	601	437
Goodwill on consolidation written-off	3	20
Gain on disposal of asset held for sale	(104)	260
Interest expenses	39	25
Interest income	(477)	(1,462)
Operating Profit Before Working Capital Changes	24,909	37,710
CHANGES IN WORKING CAPITAL :		
Decrease/(Increase) in receivables	(1,831)	(20,520)
Decrease/(Increase) in property development costs	3,970	31,488
Decrease/(Increase) in inventories	(10,366)	(11,013)
(Decrease)/Increase in payables	(17,204)	2,746
Cash Flows (Used In) / Generated From Operations	(522)	40,411
Taxes paid	(11,150)	(1,610)
Net Cash Flows (Used In) / Generated From Operating Activities	(11,672)	38,801
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(506)	(1,168)
Expenditure incurred on land held for property development	13,162	(65,639)
Proceeds from disposal of asset held for sale	104	8,631
Acquisition of shares in subsidiary companies, net of cash	-	20
Dividend paid	-	(21,848)
Interest income	477	1,462
Net Cash Flows Generated From / (Used In) Investing Activities	13,237	(78,542)
FINANCING ACTIVITIES		
Repayment of obligation under finance lease	(25)	145
Interest expenses	(39)	(25)
Proceed from issuing of ordinary shares	-	-
Net Cash Flow (Used In) / Generated From Financing Activities	(64)	120
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,501	(39,621)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	37,208	76,829
CASH AND CASH EQUIVALENTS AT END OF YEAR	38,709	37,208
Represented by :		
Cash and bank balances	38,709	37,208
	38,709	37,208

* : Negligible

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2015 and the accompanying notes attached to the Interim Financial Statements)

Y&G CORPORATION BHD
(Company No. 6403-X)
(Incorporated in Malaysia)

PART A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. BASIS OF PREPARATION

The Interim Financial Statements for the fourth quarter ended 31 December 2016 are unaudited and have been prepared in accordance with the requirements of FRS 134 – "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("**MASB**") and Paragraph 9.22 of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"). The Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

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 December 2015.

A2. CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in preparing this Interim Financial Statements are consistent with those adopted in the Audited Financial Statements for the year ended 31 December 2015, except for the compliance with the new/ revised Financial Reporting Standards ("**FRSs**") that came into effect during the financial quarter under review.

The adoption of the new/revised FRSs that came into effect during the financial quarter under review do not have any significant financial impact on the Group's financial result for the financial quarter under review nor the Group's shareholders' funds as at 31 December 2016.

MASB had issued a new approved accounting framework, the MFRS Framework, 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 and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein referred as "**Transitioning Entity**").

A Transitioning Entity is allowed to defer the adoption of the new MFRS Framework for another three (3) years. Consequently, adoption of the MFRS Framework by Transitioning Entity will be mandatory for annual periods beginning on or after 1 January 2015. On 28 October 2015, MASB had further announced that Transitioning Entity shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2018.

The Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2018. In presenting its first MFRS financial statements, the Group and the Company 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 profits.

The Group and the Company have yet to determine the financial impact arising from the adoption of the MFRS framework.

A3. AUDITORS' REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS

The auditors' report on the Audited Financial Statements for the year ended 31 December 2015 was not subject to any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The business operations of the Group for the current financial quarter and year-to-date were not subject to any seasonal or cyclical factors.

A5. **UNUSUAL ITEMS**

There were no unusual items which have a material effect on the assets, liabilities, equity, net income or cash flow of the Group for the current financial quarter and year-to-date.

A6. **CHANGES IN ESTIMATES**

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

A7. **DEBT AND EQUITY SECURITIES**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities of the Company for the current financial quarter and year to-date except for the following:

Warrants 2014/2019

The Company has on 17 November 2014 issued a total of 47,690,767 Warrants 2014/2019 (“**Warrants**”) which was listed on the Main Market of Bursa Securities with effect from 21 November 2014. The Stock Short Name, Stock number of ISIN Code of the Warrants is ‘YG-WA’ and each Warrants entitles the holder to subscribe for one (1) new ordinary share of RM1.00 each in the Company at an exercise price of RM1.00 per share on or before 16 November 2019.

During the current financial year-to-date, the Company has issued 112 new ordinary shares of RM1.00 each for cash pursuant to the exercise of 112 Warrants.

As at 31 December 2016, a total number of 191 Warrants have been exercised and the total number of Warrants which remain unexercised was 47,690,576 (31 December 2015: 47,690,688).

A8. **DIVIDENDS PAID**

On 24 November 2016, the Board of Directors announced an interim single-tier dividend of 5 sen in respect of the current financial year ended 31 December 2016, to shareholders registered on the Register of Depositors and holders of Irredeemable Convertible Preference Shares (“**ICPS**”) amounting to RM 10,923,916.00, which was paid on 10 January 2017.

A9. **PROFIT BEFORE TAX**

The following items have been included in arriving at profit before tax:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	204	120	601	437
Provision for uncollectible deposit	1,100	-	1,100	-
Provision for corporate guarantee	-	105	-	105
Goodwill on consolidation written-off	-	5	3	20
Amount due from disposed subsidiary written off	-	2	-	2
Loss on disposal of asset held for sale	-	21	-	260
Reversal of provision for corporate guarantee	-	-	(1,515)	-
Gain on disposal of property, plant and equipment	-	-	(104)	-
Rental income	-	-	-	(9)

Save for the items disclosed in the Statement of Comprehensive Income and the note above, other items pursuant to Appendix 9B Note 16 of the MMLR are not applicable.

A10. SEGMENTAL INFORMATION

The analysis of the Group's operations for the current financial year-to-date ended 31 December 2016 are as follows:

	Investment Holding & Others	Property Development & Investment	GROUP
	RM'000	RM'000	RM'000
Segment Revenue - External	780	115,648	116,428
Segment Results	(206)	25,715	25,509
Interest Income			477
Interest Expenses			(39)
Profit Before Tax			25,947
Taxation			(7,485)
Profit for The Period			18,462

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuation of property, plant and equipment has been brought forward without any amendments from the Audited Financial Statements for the year ended 31 December 2015.

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD UNDER REVIEW

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the Interim Financial Statements as at the date of this Quarterly Report.

A13. CHANGES IN COMPOSITION OF THE GROUP

There was no material change in the composition of the Group for the current financial quarter and year to-date, except for the following:

- (i) The Company had on 28 June 2016, acquired two (2) ordinary shares of RM1.00 each representing the entire equity in Duta Asiana Sdn Bhd ("**DASB**") from Fatimah binti Sulaiman and Shairah Begum binti Kadah Bashah for a cash consideration of RM2.00 (Ringgit Malaysia: Two) only. The financial statements of DASB were consolidated into the Group since the second financial quarter.

DASB was incorporated in Malaysia and is currently dormant. The intended principal activity of DASB is property investment holding. The effective % equity held in DASB is 100%.

The value of DASB's assets acquired and liabilities assumed were as follows: -

	Amount RM'000
Cash & bank balances	-
Other payables & accruals	(3)
Value of total Net Liabilities	(3)
Goodwill on consolidation (#)	3
Total cost of acquisition	-
Cash outflow arising on acquisition	
Purchase consideration satisfied by cash	-
Cash and cash equivalents of DASB acquired	-
Net cash outflow to the Group	-

(#): The Goodwill on consolidation was written-off as expense during the second financial quarter.

A14. **CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There was no material contingent liabilities and/or contingent assets as at the date of this Quarterly Report.

A15. **CAPITAL COMMITMENTS**

There was no material capital commitments which are not provided for in the Interim Financial Statements as at the date of this Quarterly Report.

PART B: ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

	Individual Quarter			Cumulative Quarter	
	Current Quarter ended 31.12.16 ("Q4FY16")	Immediate Preceding Quarter ended 30.09.16 ("Q3FY16")	Preceding Year's Corresponding Quarter ended 31.12.15 ("Q4FY15")	Current Year-To-Date (YTD) ended 31.12.16 ("12MFY16")	Preceding Year-To-Date (YTD) ended 31.12.15 ("12MFY15")
	RM '000	RM '000	RM '000	RM '000	RM '000
Revenue	33.79	37.06	8.40	116.43	165.63
PBT	6.91	9.24	0.84	25.95	38.43
PAT	4.64	6.15	1.47	18.46	29.09

The Group's revenue was mainly derived from the development activities for the current financial quarter and year-to-date ended 31 December 2016.

Current Quarter (Q4FY16) compared with Preceding Year's Corresponding Quarter (Q4FY15)

The Group recorded a revenue of RM33.79 million in the current Q4FY16 as compared to RM8.40 million in the preceding Q4FY15, a significant increase of RM25.39 million. The higher revenue in Q4FY16 was mainly due to the relatively low revenue in Q4FY15 which was caused by the sale cancellation of significant commercial units following purchasers' failure in securing for bank loans amid stringent lending conditions.

Despite of the relatively higher turnover in the current Q4FY16, the PAT for Q4FY16 was just higher at RM4.64 million as compared to the preceding Q4FY15's PAT of RM1.47 million primarily due to the initial marketing and promotion expenses incurred for its newly launched residential project and the provision of uncollectible deposit made in the current financial quarter.

Current Year-To-Date (12MFY16) compared with Preceding Year-To-Date (12MFY15)

Turnover for the current 12MFY16 was substantially lower at RM116.43 million as compared to the preceding 12MFY15 of RM165.63 million. The lower turnover by RM49.20 million was primarily due to the relatively lesser on-going development projects during the current financial year (following the completion of several development projects towards end of the previous financial year and during the current financial quarter) coupled with relatively higher take-up rate ahead of new GST implementation in the preceding financial year.

The PAT for the current 12MFY16 was lower at RM18.46 million as compared to the preceding 12MFY15's PAT of RM29.09 million, mainly due to the substantially lower turnover, the initial marketing and promotion expenses and the provision of uncollectible deposit made in the current financial year as mentioned above.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S REPORT

Current Quarter (Q4FY16) compared with Immediate Preceding Quarter (Q3FY16)

Turnover for the current Q4FY16 was lower at RM33.79 million as compared to the immediate preceding Q3FY16 of RM37.06 million.

Profit before tax for the current Q4FY16 was lower at RM6.91 million as compared to the immediate preceding Q3FY16 of RM9.24 million mainly due to the lower turnover, the initial marketing and promotion expenses and the provision of uncollectible deposit made during the current financial quarter as mentioned above.

B3. CURRENT YEAR PROSPECTS

The Group is continually looking for potential development lands both within and outside the Klang Valley to improve its land banks. The Group's unbilled sales stood at approximately RM100 million as at 31 December 2016, which is expected to continue to contribute positively to the revenue and earnings in the near future.

Despite the unfavourable economic climate in Malaysia, the Group's performance for the financial year ending 31 December 2017 is expected to remain satisfactory.

B4. PROFIT FORECAST AND PROFIT GUARANTEE

Not applicable as the Company did not issue any profit forecast and/or profit guarantee.

B5. TAXATION

The taxation charge for the Group are as follows:

	Current Quarter	Current Year-To-Date
	RM'000	RM'000
Income Tax – Current Year	(2,315)	(7,472)
Income Tax – Prior Year's Underprovision	-	(108)
Reversal of Deferred Tax Asset	(185)	(895)
Reversal of Deferred Tax Liability	232	990
	<u>(2,268)</u>	<u>(7,485)</u>

The Group's effective tax rates for both the current financial quarter and year-to-date are higher than the Malaysian statutory tax rate of 24% primarily due to certain expenses being non-deductible for income tax purposes.

B6. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There was no sale of unquoted investments and/or properties for the current financial quarter and year-to-date.

B7. QUOTED SECURITIES

There was no purchase or disposal of quoted securities for the current financial quarter and year-to-date.

B8. PUBLIC SHAREHOLDING SPREAD

The followings are the events pertaining to the Company's Public Shareholding Spread ("**PSS Requirement**") since Bursa Malaysia's last granted extension during the previous financial year till the date of this Quarterly Report:

- (a) On 2 July 2015, the Company announced that Bursa Malaysia had, vide its letter dated 1 July 2015, granted the 9th Extension and 10th Extension a further extension of eleven (11) months until 30 November 2015 to comply with the PSS Requirement.
- (b) On 27 November 2015, the Company announced that it had on 27 November 2015 submitted an application to Bursa Malaysia to seek a further 11th extension of time of nine (9) months from 1 December 2015 to 31 August 2016 ("**Original 11th Extension**") to comply with the PSS Requirement.
- (c) On 9 May 2016, the Company announced to Bursa Malaysia that its major shareholder had on 18 April 2016, disposed off 8.0 million Y&G shares to a third party via off-market transaction and upon the disposal, the Company's public shareholding spread has improved by 4.01% from 19.71% to 23.72% hence, leaving a shortfall of 1.28% ("**the Shortfall**") from the PSS Requirement.
- (d) On 11 May 2016, the Company has submitted an application to Bursa Malaysia to seek a revised extension of time of seven (7) months from 1 December 2015 to 30 June 2016 ("**Revised 11th Extension**") in place of our earlier application on 27 November 2015.
- (e) On 15 August 2016, the Company announced that Bursa Malaysia had, vide its letter dated 11 August 2016, granted the 11th Extension a further extension of nine (9) months until 31 August 2016 to comply with the PSS Requirement.
- (f) On 6 September 2016, the Company announced that it had, vide its letter dated 30 August 2016, submitted an application to Bursa Malaysia to seek for a further 12th extension of four (4) months from 1 September 2016 to 31 December 2016 ("**Original 12th Extension**") to comply with the PSS Requirement. However, this application was subsequently withdrawn on 17 February 2017 and be replaced with a fresh application on 21 February 2017.
- (g) On 13 January 2017, the Company had submitted an application to Bursa to seek a revised extension of seven (7) months (including a further extension of three (3) months till 31 March 2017) from 1 September 2016 to 31 March 2017 ("**Revised 12th Extension**") in place of our earlier application on 6 September 2016. However, this application was subsequently withdrawn on 14 February 2017 and be replaced with a fresh application on 21 February 2017.
- (h) The Company has on 21 February 2017, submitted a fresh application to Bursa Malaysia to seek for the Revised 12th Extension to comply with the PSS Requirement and is still waiting for the result as at the date of this Quarterly Report.
- (i) The Company is currently in the midst of discussing about the placement details with potential investors to take up at least the Shortfall and expect to have the placement details been finalised and completed before the Revised 12th Extension. The Company will continue to monitor the level of its public shareholdings spread, including making the necessary announcements upon its full compliance with the PSS Requirement.
- (j) As at 23 February 2017, the public shareholding spread of the Company still remained at 23.72%.

B9. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings and debts securities comprise only finance lease obligation (all of which are secured) as at 31 December 2016 analysed as follows:

	RM'000
Short Term Borrowings	283
Long Term Borrowings	1,012
Total Borrowings	<u>1,295</u>

There was no borrowing or debt security denominated in foreign currencies.

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no financial instrument with off balance sheet risk as at the date of this Quarterly Report.

B11. DISCLOSURE OF REALISED AND UNREALISED ACCUMULATED PROFITS

Bursa Malaysia has on 25 March 2010 issued a directive which requires all listed companies to disclose a breakdown of the accumulated profits or losses as at the end of the reporting period, into realised and unrealised profits or losses, for the purpose of greater transparency. The breakdown of the Group's accumulated profits as at 31 December 2016, pursuant to the format prescribed by Bursa Malaysia, is as follows:

	As at 31 December 2016 RM'000	As at 30 September 2016 RM'000
Realised	64,073	70,426
Unrealised	(11,813)	(11,861)
Total Group's Accumulated Profits	<u>52,260</u>	<u>58,565</u>

B12. MATERIAL LITIGATIONS

The changes in material litigations (including status of any pending material litigations) since the previous Quarterly Report are listed in the Appendix 1 attached hereto.

B13. DIVIDEND

The Board of Directors does not recommend any dividend for the current financial quarter.

B14. **EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the total comprehensive income attributable to equity holders of the parent for the current financial quarter and year-to-date by the weighted average of ordinary shares in issue during the said quarter and year-to-date.

	Individual Quarter	Cumulative Quarter
Total Comprehensive Income attributable to equity holders of the parent (RM'000)	4,620	18,431
Weighted average number of ordinary share in issue (RM '000)	199,384	199,384
Earnings per share (sen)	2.32	9.24
Diluted EPS (sen)	1.74	6.92

By Order of the Board

Chow Chia Yen (LS 8856)
Secretary
Kuala Lumpur

Date: 28 February 2017

STATUS OF MATERIAL LITIGATIONS AS AT 28 FEB 2017

Y&G Group has only one (1) pending material litigation as follows:

(1) Y&G Corporation Bhd (“Y&G”) and Nusa Wibawa Sdn Bhd (“NWSB”) (collectively known as “the Plaintiffs”) vs AmanahRaya Development Sdn Bhd (“AmanahRaya”) Kuala Lumpur High Court Suit No. WA-22NCVC-627-10/2016

Y&G and NWSB (a wholly owned subsidiary of Y&G) had on 5 October 2016, served a Writ of Summons and Statement of Claim against AmanahRaya for wrongful termination and breach of an agreement to enter into a Sale and Purchase Agreement (“SPA”) in relation to an acquisition of land in Mukim Petaling, Daerah Kuala Lumpur, measuring approximately 19.004 Hectares.

The Plaintiffs are seeking declarations that the termination of the agreement to enter into the SPA and the forfeiture of the Earnest Deposit by the Defendant is unlawful and wrongful. The Plaintiffs are also claiming for specific and general damages to be assessed.

Further to the case management on 17 October 2016, the Court has directed the Defendant to enter their appearance by 19 October 2016 (in which the Defendant has subsequently entered via their Company Solicitor on 19 October 2016) and to file their Defence by 2 November 2016. The Court has also directed the Plaintiffs to file their Reply by 16 November 2016 and has fixed the next case management on 17 November 2016.

The Defendant’s Solicitors has, on 31 October 2016, filed in a sealed Notice of Application to pray for a new Memorandum of Appearance (to replace their earlier Memorandum of Appearance filed) and for an extension of time to file their Defence (“Application”) and the Application has been fixed for hearing on 2 November 2016.

On the hearing on 2 November 2016, the Court has allowed the Defendant’s Application and directed the Defendant to file their Defence by 14 November 2016 (in which the Defendant has subsequently filed on 14 November 2016) and fixed the case management on 21 November 2016. On the case management on 21 November 2016, the Court has fixed 1 December 2016 as the next case management for the Plaintiffs to file their Reply to the Defendant’s Defence.

On 1 December 2016, the Court has given parties directions on pleadings closed, counsels for parties to try on amicable settlement for all identified and agreed facts and issues. The Court would give a final date for parties to file an interlocutory application and would give further directions if the matter cannot be settled amicably. The Court has subsequently fixed the next case management on 4 January 2017.

On 4 January 2017, the Court has fixed 19 January 2017 for next case management pending the settlement and compliance of pre-trial directions by parties. On 19 January 2017, the Court has fixed 15 February 2017 as the next case management for pre-trial compliance.

Status: On 15 February 2017, the Court has directed both parties to file the Statement of Agreed Facts and Non-Agreed Facts by the next case management on 8 March 2017.