

**Y&G CORPORATION BHD**

(Co No : 6403-X)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 Dec 2018**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31 Dec 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 Dec 2017 RM'000 (Restated)	CURRENT YEAR TODATE 31 Dec 2018 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31 Dec 2017 RM'000 (Restated)
Revenue	13,698	23,760	64,986	76,277
Operating expenses	(9,226)	(17,820)	(51,024)	(67,002)
Other operating income	2,068	78	2,281	329
<b>Profit From Operations</b>	<b>6,540</b>	<b>6,018</b>	<b>16,243</b>	<b>9,604</b>
Interest income	121	154	701	594
Interest expenses	(154)	(39)	(534)	(84)
<b>Profit Before Tax</b>	<b>6,507</b>	<b>6,133</b>	<b>16,410</b>	<b>10,114</b>
Taxation	(1,791)	(2,004)	(5,297)	(5,003)
<b>Profit For The Year</b>	<b>4,716</b>	<b>4,129</b>	<b>11,113</b>	<b>5,111</b>
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income</b>	<b>4,716</b>	<b>4,129</b>	<b>11,113</b>	<b>5,111</b>
Attributable to:				
Equity holders of the parent	4,679	4,113	11,048	5,069
Non-controlling interests	37	16	65	42
	<b>4,716</b>	<b>4,129</b>	<b>11,113</b>	<b>5,111</b>
<b>Total Comprehensive Income / (Loss) attributable to equity holders of the parent :</b>				
a) Basic Earnings per share (Sen)	2.35	2.06	5.54	2.54
b) Diluted	1.76	1.55	4.15	1.90

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2017 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 2018**

	<b>As at end of Current Quarter 31 Dec 2018 RM'000</b>	<b>As at Preceding Year Ended 31 Dec 2017 RM'000 (Restated)</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,606	2,003
Investment property	18,355	18,587
Land held for property development	101,032	88,554
Goodwill on consolidation	555	555
	<u>121,548</u>	<u>109,699</u>
<b>CURRENT ASSETS</b>		
Property development costs	64,096	103,119
Inventories	80,343	42,502
Trade receivables	15,701	34,805
Contract assets	23,191	19,700
Other receivables, deposits and prepayments	12,008	15,827
Current Tax Assets	1,613	1,526
Fixed deposit with licensed bank	302	5,500
Cash and bank balances	5,302	24,846
	<u>202,556</u>	<u>247,825</u>
<b>TOTAL ASSETS</b>	<b><u>324,104</u></b>	<b><u>357,524</u></b>
<b>EQUITY AND LIABILITIES</b>		
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	68,378	57,330
	<u>289,440</u>	<u>278,392</u>
<b>NON-CONTROLLING INTEREST</b>	477	412
<b>TOTAL EQUITY</b>	<u>289,917</u>	<u>278,804</u>
<b>NON-CURRENT LIABILITIES</b>		
Obligation under finance leases (Long Term)	424	713
Term Loan (Long Term)	6,560	7,280
Deferred tax liabilities	10,455	11,113
	<u>17,439</u>	<u>19,106</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	6,788	48,498
Other payables and accruals	5,192	5,499
Amount due to directors	500	2,645
Obligation under finance leases (Short Term)	289	299
Term Loan (Short Term)	746	746
Current Tax Liabilities	3,233	1,927
	<u>16,748</u>	<u>59,614</u>
<b>TOTAL LIABILITIES</b>	<u>34,187</u>	<u>78,720</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>324,104</u></b>	<b><u>357,524</u></b>
Net assets / share attributable to ordinary equity holders of the parent (RM)	1.45	1.40

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2017 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 2018**

	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
<b>Current Quarter</b>						
Balance as at 1 January 2018	199,384	19,094	2,584	57,330	412	278,804
Profit after Tax	-	-	-	11,048	65	11,113
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	11,048	65	11,113
Transaction with owners :						
Issue of ordinary shares from conversion of warrant*	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
<b>Balance as at 31 Dec 2018</b>	<b>199,384</b>	<b>19,094</b>	<b>2,584</b>	<b>68,378</b>	<b>477</b>	<b>289,917</b>
<b>Preceding Year's Corresponding Quarter</b>						
Balance as at 1 January 2017	199,384	19,094	2,584	52,261	370	273,693
Profit after Tax	-	-	-	5,069	42	5,111
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	5,069	42	5,111
Transaction with owners :						
Issue of ordinary shares from conversion of warrant*	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
<b>Balance as at 31 Dec 2017</b>	<b>199,384</b>	<b>19,094</b>	<b>2,584</b>	<b>57,330</b>	<b>412</b>	<b>278,804</b>

\*: Negligible

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2017 and the accompanying notes attached to the Interim Financial Statements)

**Y&G CORPORATION BHD**

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(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FOURTH QUARTER ENDED 31 Dec 2018**

	Current Quarter Ended 31 Dec 2018 RM'000	Preceding Year Quarter 31 Dec 2017 RM'000
<b>PROFIT BEFORE TAX</b>	<b>16,410</b>	<b>10,114</b>
ADJUSTMENTS :		
Provision for uncollectible deposit	-	1,100
Depreciation on property, plant and equipment	355	385
Amortisation of investment property	232	116
Written off - Others	222	-
Loss on disposal of property, plant and equipment	1	-
Interest on obligation under finance leases	43	58
Term loan interest	491	26
Interest income	(701)	(594)
Gain on disposal of property, plant and equipment	-	(22)
Rental Income	(90)	(80)
<b>Operating Profit Before Working Capital Changes</b>	<b>16,963</b>	<b>11,103</b>
CHANGES IN WORKING CAPITAL :		
Decrease/(Increase) in inventories	(37,841)	(1,885)
Decrease/(Increase) in property development costs	39,023	(14,686)
Decrease/(Increase) in receivables	19,210	3,040
(Decrease)/Increase in payables	(42,017)	(26)
<b>Cash Used In Operations</b>	<b>(4,662)</b>	<b>(2,454)</b>
Taxes paid	(4,736)	(6,072)
<b>Net Cash Flows Used In Operating Activities</b>	<b>(9,398)</b>	<b>(8,526)</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(12)	(4)
Proceeds from disposal of property, plant and equipment	53	41
Acquisition of investment property	-	(1)
Addition of land held for property development	(12,478)	(182)
Interest income	701	594
Rental income	90	80
<b>Net Cash Flow (Used In) / Generated From Investing Activities</b>	<b>(11,646)</b>	<b>528</b>
<b>FINANCING ACTIVITIES</b>		
Net Drawdown of loans and borrowings	-	8,000
Repayment of obligation under finance lease	(299)	(283)
Repayment of term loan	(720)	-
Interest on obligation under finance leases	(43)	(58)
Term loan interest	(491)	-
(Repayment to)/Advance from directors	(2,145)	1,851
Dividend paid	-	(10,924)
<b>Net Cash Flows Used In Financing Activities</b>	<b>(3,698)</b>	<b>(1,414)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(24,742)</b>	<b>(9,412)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>30,346</b>	<b>39,758</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>5,604</b>	<b>30,346</b>
Represented by :		
Cash and bank balances	5,302	24,846
Fixed deposit with licensed bank	302	5,500
	<b>5,604</b>	<b>30,346</b>

\* : Negligible

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the Year Ended 31 Dec 2017 and the accompanying notes attached to the Interim Financial Statements)

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR FOURTH QUARTER ENDED 31 DECEMBER 2018**

**1. BASIS OF PREPARATION**

The Interim Financial Statements for the fourth quarter ended 31 December 2018 are unaudited and have been prepared in accordance with the requirements of MFRS 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 Securities**"). The Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 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 December 2017.

**2. 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 2017, except for the compliance with the new Malaysian Financial Reporting Standards ("**MFRSs**") that came into effect from 1 January 2018.

The adoption of the new MFRSs that came into effect during the financial quarter under review do not have any material effect on the financial performance or position of the Group, except for the Standards described below :

**(a) MFRS 9 Financial Instruments**

The adoption of this Standards resulted in changes in accounting policies and adjustments to the financial statements.

The accounting policies that relate to the recognition, classification, measurement and derecognition of financial statements and impairment of financial assets are amended to comply with the provisions of this Standards, while the hedge accounting requirements under this Standard are not relevant to the Group. In accordance with the transition requirements under paragraph 7.2.15 of this Standard, comparatives are not restated.

*(i) Financial Assets*

The Group classify their financial assets into the following measurement categories depending on the Group's business model for managing the financial assets and the terms of contractual cash flows of the financial assets :

- Those to be measured at amortised cost; and
- Those to be measured subsequently at fair value either through other comprehensive income or through profit or loss.

The following summarises the key changes :

- The Available-For-Sale, Held-To-Maturity and loans and receivables financial asset categories were removed.

- A new financial asset category measured at amortised cost was introduced. This applies to financial assets with contractual cash flow characteristics that solely payments of principal and interest and held in a business model whose objective is achieved by collecting contractual cash flows only.
- A new financial asset category measured at fair value through other comprehensive income was introduced. This applies to debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- A new financial asset category for non-traded equity investments measured at fair value through other comprehensive income was introduced.

(ii) Financial Liabilities

There is no impact on the classification and measurement of the Group's financial liabilities.

The Group had assessed the impact of the adoption of MFRS 9 and concluded that the adoption does not have any significant impact to the financial performance of position of the Group.

(b) MFRS 15 Revenue from Contracts with Customers

This Standard establishes a five-step model that will apply to recognition of revenue arising from contracts with customers, and provide a more structured approach in measuring and recognising revenue. Under this Standard, revenue will be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The adoption of this Standard results in changes in accounting policies for revenue recognition, and has no material financial impact except as described below :

	<b>Previously Reported under FRSS</b>	<b>Adjustment</b>	<b>As Restated under MFRS 15</b>
	RM'000	RM'0000	RM'000
<b>Current Assets</b>			
Accrued Billings	19,700	(19,700)	-
Contract Assets	-	19,700	19,700

3. **AUDITORS' REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS**

The auditors' report on the Audited Financial Statements for the year ended 31 December 2017 was not subject to any qualification.

4. **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.

5. **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.

## 6. 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.

## 7. 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.

### 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.

There was no exercise of Warrants during the current financial quarter and year-to-date.

As at 31 December 2018, the total number of Warrants which remain unexercised was 47,690,576 (31 December 2017: 47,690,576).

## 8. DIVIDEND PAID

The Company did not make any payment of dividends during the current financial quarter.

## 9. PROFIT BEFORE TAX

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

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Depreciation on property, plant and equipment	96	99	355	386
Amortisation of investment property	58	116	232	116
Provision for uncollectible deposit	-	1,100	-	1,100
Loss on disposal of property, plant and equipment	-	-	1	534
Rental income	-	(30)	(90)	(80)
Gain in disposal of property, plant and equipment	-	-	-	(22)

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.

10. **SEGMENTAL INFORMATION**

The analysis of the Group's operations for the current financial year-to-date ended 31 December 2018 are as follows:

	Property Investment & Others RM'000	Property Development RM'000	GROUP RM'000
Segment Revenue - External	1,012	63,974	64,986
Segment Results	(2,377)	18,620	16,243
Interest Income			701
Interest Expenses			(534)
<b>Profit Before Tax</b>			<b>16,410</b>
Taxation			(5,297)
<b>Profit for The Year</b>			<b>11,113</b>

11. **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 2017.

12. **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.

13. **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.

14. **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.

15. **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.



16. **FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE**

The Group's revenue was mainly derived from the development activities for the current financial quarter and year-to-date ended 31 December 2018.

	Individual Quarter		Changes RM'000
	Current Year Current Quarter 31 December 2018 ("Q4FY18") RM'000	Preceding Year Corresponding Quarter 31 December 2017 ("Q4FY17") RM'000	
Revenue	13,698	23,760	(10,062)
Operating Profit	6,694	7,332	(638)
Profit Before Interest and Tax	6,661	6,172	489
Profit Before Tax ("PBT")	6,507	6,133	374
Profit After Tax ("PAT")	4,716	4,129	587
Profit Attributable to Ordinary Equity Holders of the Parent	4,679	4,113	566

The Group recorded a revenue of RM13.70 million for the current Q4FY18, a decrease of RM10.06 million from RM23.76 million in the preceding year's corresponding Q4FY17. The decrease in revenue was mainly due to lesser on-going development projects during the current Q4FY18 and weaker market demand.

Despite the significant decrease in revenue, the Group's current Q4FY18's PAT of RM4.72 million was slightly higher by RM0.59 million as compared to the preceding year's corresponding Q4FY17's PAT of RM4.13 million primarily due to the recognition of development-related miscellaneous income in the current Q4FY18 and higher operating expenses (arising from higher marketing and post-completion development expenses as well as the provision for uncollectible deposit) incurred in the preceding year's corresponding Q4FY17.

	Cumulative Quarter (Year-To-Date)		Changes RM'000
	Current Year Current Year-To-Date 31 December 2018 ("YTD2018") RM'000	Preceding Year Corresponding Year-To-Date 31 December 2017 ("YTD2017") RM'000	
Revenue	64,986	76,277	(11,291)
Operating profit	17,053	10,650	6,403
Profit before interest and tax	16,944	10,198	6,746
Profit before tax ("PBT")	16,410	10,114	6,296
Profit after tax ("PAT")	11,113	5,111	6,002
Profit attributable to Ordinary equity holders of the parent	11,048	5,069	5,979

Revenue for the current YTD2018 decreased to RM64.99 million, from RM76.28 million recorded in the preceding year's corresponding YTD2017 mainly due to the same reasons as above mentioned.

Despite the decrease in revenue, the Group's PAT for the current YTD2018 increased significantly by RM6.00 million to RM11.11 million as compared to the preceding year's corresponding YTD2017's PAT of RM5.11 million primarily due to the recognition of development-related miscellaneous income in the current Q4FY18 and higher operating expenses (arising from higher marketing and post-completion development expenses as well as the provision for uncollectible deposit) incurred in the preceding year's corresponding YTD2017.

17. **FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER**

	<b>Current Quarter 31 December 2018 ("Q4FY18") RM'000</b>	<b>Immediate Preceding Quarter 30 September 2018 ("Q3FY18") RM'000</b>	<b>Changes RM'000</b>
<b>Revenue</b>	<b>13,698</b>	<b>13,972</b>	<b>(274)</b>
<b>Operating profit</b>	<b>6,694</b>	<b>2,825</b>	<b>3,869</b>
<b>Profit before interest and tax</b>	<b>6,661</b>	<b>2,832</b>	<b>3,829</b>
<b>Profit before tax ("PBT")</b>	<b>6,507</b>	<b>2,699</b>	<b>3,808</b>
<b>Profit after tax ("PAT")</b>	<b>4,716</b>	<b>1,742</b>	<b>2,974</b>
<b>Profit attributable to Ordinary equity holders of the parent</b>	<b>4,679</b>	<b>1,739</b>	<b>2,940</b>

The Group's revenue for the current Q4FY18 decreased marginally to RM13.70 million, from RM13.97 million recorded in the immediate preceding Q3FY18.

However, the Group's PBT for the current Q4FY18 increased significantly by RM3.81 million to RM6.51 million as compared to the immediate preceding Q3FY18's PBT of RM2.70 million mainly due to the relatively higher development margin from certain development projects and the recognition of development-related miscellaneous income in the current Q4FY18.

18. **PROSPECTS**

The Group opines that products with value proposition, strategic location and attractive promotional package will continue to generate demand and create sales. As the Group's product offering include primarily affordable and mid-market segments, it is confident of competing effectively by differentiating itself through creative and innovative marketing strategies such as digital marketing through social media, informative blogs, search engine marketing and email marketing to entice the younger generation homebuyers' interest to its products.

The government's initiative to increase home ownership as well as to stimulate the sluggish real estate market by giving a six-month stamp duty exemption for first-time buyers of houses priced between RM300,000 to RM1 million, effective from January 1, 2019, will help to reduce the current property overhang in the market. The Group stands to benefit from the above government's initiative.

Moving forward, the Group is prudent in its project developments by offering suitable products at affordable prices to meet the market needs. At the same time, the Group will concentrate on unlocking the values of its existing stocks besides pursuing its expansion diligently.

The Group's unbilled sales stood at RM49.82 Million as at 31 December 2018, which is expected to continue to contribute positively to the Group's earnings in the near future.

19. **PROFIT FORECAST AND PROFIT GUARANTEE**

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

## 20. TAXATION

The taxation charge for the Group are as follows:

	<b>Current Quarter</b>	<b>Current Year-To-Date</b>
	RM'000	RM'000
Income Tax – Estimated current year tax	(1,942)	(5,936)
Income Tax – Prior year tax	-	(19)
Deferred Tax – Reversal of deferred tax liability	151	658
	<u>(1,791)</u>	<u>(5,297)</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 the progressive amortization (through charging out as part of development costs) of the development projects' revaluation surplus, which is not deductible for tax purposes coupled with the non-group tax relief to the Group.

IRB had, since the previous financial year ended 31 December 2017, initiated a tax investigation on the Group primarily, on the gains arising from certain land disposals by a wholly-owned subsidiary ("**the Subsidiary**"). IRB has taken the view that the gains arising from the aforesaid land disposals shall be taxable under Income Tax Act instead of RPGT Act and has, via its letter dated 10 July 2018, proposed the Subsidiary to pay an additional back-duty taxes in respect of past years of assessment 2012 to 2016 amounting to RM7.55 million (including penalty) which was subsequently being revised downward to RM7.17 million ("**the Back-Duty**") by IRB on 30 October 2018 ("**the Raised Tax Issue**").

The Subsidiary made an appeal against the Raised Tax Issue and following several discussions held between the parties, IRB has subsequently accepted in-principle the aforesaid appeal hence, there is no financial implication to the Group arising from the above tax investigation and the matter is now pending closure upon the receipt of an official confirmation from the IRB.

## 21. 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.

## 22. QUOTED SECURITIES

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

## 23. TRADE RECEIVABLES

	----- GROUP -----	
	<b>As At 31.12.2018</b>	<b>As At 31.12.2017</b>
	RM'000	RM'000
Property Development	13,371	32,738
Management Fee	2,330	2,067
	<u>15,701</u>	<u>34,805</u>

Trade receivables comprise receivables from property development and management fee.

The trade receivables from property development comprises progress billings receivable from on-going development projects and received retention sums of completed development projects held by the solicitors as stakeholder in pursuant to the sale and purchase agreements. The progress billings are due within 21 days while, the retention sums are due upon the expiry of the defect liability period of 12 to 24 months. Other credit terms are assessed and approved on a case-to-case basis.

The trade receivables from the progress billings are creditworthy debtors with mainly good payment records and have obtained and/or in the process of obtaining end financing to fund their purchase of the Group's development properties.

## 24. GROUP BORROWINGS AND DEBT SECURITIES

The Group's borrowings and debts securities as at 31 December 2018 are analysed as follows:

	Short Term	Long Term	Total Borrowings
<b><u>Secured</u></b>	RM'000	RM'000	RM'000
Term Loan	746	6,560	7,306
Hire Purchase	289	424	713
<b>Total</b>	<b>1,035</b>	<b>6,984</b>	<b>8,019</b>

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

## 25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

## 26. MATERIAL LITIGATION

As at the date of this Quarterly Report, the Group has the following material litigation and the changes and status of the said material litigation since the previous Quarterly Report are as follows :

**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  
Court of Appeal Malaysia Civil Appeal No. W-02(NCVC)(W)-2578-12/2017**

Since the date of the previous Quarterly Report dated 23 November 2018, the Plaintiffs have, vide their solicitors on 29 November 2018, filed a leave application by way of Notice of Motion (together with Affidavit In Support) to the Federal Court, seeking leave to appeal against the dismissal decision made by the Court of Appeal on 2 November 2018. An online case management for the leave application hearing was held on 31 December 2018 for the leave to appeal to the Federal Court.

A further case management was held on 31 January 2019 for the parties to exhaust all affidavits and the hearing date for the leave application to appeal to the Federal Court has been fixed on 27.3.2019 at the Federal Court, Putrajaya.

## 27. DIVIDEND

The Board of Directors does not recommend any dividend for the current financial quarter and year-to-date.

28. **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.

	<b>Individual Quarter</b>	<b>Cumulative Quarter</b>
Total Comprehensive Income attributable to equity holders of the parent (RM'000)	4,679	11,048
Weighted average number of ordinary share in issue ('000)	199,384	199,384
Earnings per share (sen)	2.35	5.54
Diluted EPS (sen)	1.76	4.15

By Order of the Board

Rebecca Lee Ewe Ai (MAICSA 0766742)  
Secretary  
Kuala Lumpur  
Date: 28 Feb 2019