

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	3 MONTHS ENDED		12 MONTHS ENDED	
	30.06.2020 (RM'000)	30.06.2019 (RM'000)	30.06.2020 (RM'000)	30.06.2019 (RM'000)
Revenue	577	9,979	42,606	100,396
Cost of sales	<u>(14,908)</u>	<u>(27,379)</u>	<u>(64,656)</u>	<u>(105,886)</u>
Gross loss	(14,331)	(17,400)	(22,050)	(5,490)
Other income	3,401	412	6,308	1,405
Other expenses	<u>(9,699)</u>	<u>(58,564)</u>	<u>(16,314)</u>	<u>(79,820)</u>
Operating loss	(20,629)	(75,552)	(32,056)	(83,905)
Finance costs	<u>(1,689)</u>	<u>(2,069)</u>	<u>(7,213)</u>	<u>(8,631)</u>
Loss before tax	<u>(22,318)</u>	<u>(77,621)</u>	<u>(39,269)</u>	<u>(92,536)</u>
Taxation	<u>(5,196)</u>	<u>14,695</u>	<u>(5,485)</u>	<u>13,216</u>
Loss for the period	<u>(27,514)</u>	<u>(62,926)</u>	<u>(44,754)</u>	<u>(79,320)</u>
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive expense for the period	<u>(27,514)</u>	<u>(62,926)</u>	<u>(44,754)</u>	<u>(79,320)</u>
Net Loss attributable to :				
Equity holders of the Company	(27,513)	(62,926)	(44,752)	(79,320)
Non-controlling interest	<u>(1)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
	<u>(27,514)</u>	<u>(62,926)</u>	<u>(44,754)</u>	<u>(79,320)</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(27,513)	(62,926)	(44,752)	(79,320)
Non-controlling interest	<u>(1)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
	<u>(27,514)</u>	<u>(62,926)</u>	<u>(44,754)</u>	<u>(79,320)</u>
(Loss) per share attributable to equity holders of the Company (sen)				
-Basic	<u>(2.88)</u>	<u>(11.78)</u>	<u>(5.35)</u>	<u>(15.94)</u>
-Diluted	<u>(2.55)</u>	<u>Nil</u>	<u>(4.67)</u>	<u>Nil</u>

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	(Unaudited) As at 30.06.2020 RM'000	(Audited) As at 30.06.2019 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	468,263	467,974
Intangible assets	154,059	163,008
Deferred tax asset	6,320	11,609
	<u>628,642</u>	<u>642,591</u>
Current Assets		
Inventories	245,159	217,496
Contract costs	12,045	9,519
Contract assets	5,563	17,111
Trade receivables	49,230	48,290
Other receivables	79,210	93,345
Current tax assets	1,098	3,515
Cash and bank balances	10,039	1,564
	<u>402,344</u>	<u>390,840</u>
TOTAL ASSETS	<u><u>1,030,986</u></u>	<u><u>1,033,431</u></u>
EQUITY AND LIABILITIES		
Equity		
Share Capital		
Ordinary shares	517,437	375,503
Irredeemable convertible preference shares	97,158	172,827
Reserves		
Warrant reserve	-	5,053
Accumulated losses	(97,649)	(57,949)
	<u>516,946</u>	<u>495,434</u>
Non-controlling interests	(2)	-
Total Equity	<u><u>516,944</u></u>	<u><u>495,434</u></u>
Non-current Liability		
Loans and borrowings	151,033	152,221
	<u>151,033</u>	<u>152,221</u>
Current Liabilities		
Contract liabilities	15,914	17,671
Trade payables	142,567	144,359
Other payables	137,994	142,138
Bank overdrafts	26,313	29,941
Loans and borrowings	39,780	51,331
Current tax liabilities	441	336
	<u>363,009</u>	<u>385,776</u>
Total Liabilities	<u>514,042</u>	<u>537,997</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,030,986</u></u>	<u><u>1,033,431</u></u>
Net Assets per share (RM)	0.54	0.93

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019)

YONG TAI BERHAD
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	12 months ended 30.06.2020 (RM'000)	12 months ended 30.06.2019 (RM'000)
Cash flows from operating activities		
Loss before tax	(39,269)	(92,536)
Adjustments for:-		
Non-cash items	13,538	73,387
Non-operating items	7,191	8,595
Operating Loss before changes in working capital	(18,540)	(10,554)
Changes in working capital		
Inventories	(27,760)	3,793
Contract costs	(2,526)	(5,484)
Contract assets	11,548	25,222
Receivables	12,895	(6,053)
Contract liabilities	(1,757)	(2,705)
Payables	(5,682)	72,447
Cash (used in)/generated from operations	(31,822)	76,666
Finance costs	(7,213)	(8,631)
Interest income	22	36
Net Tax received/(paid)	2,070	(8,088)
Net cash (used in)/generated from operating activities	(36,943)	59,983
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	104	18
Acquisition of intangible assets	-	(8,600)
Acquisition of property, plant and equipment	(6,984)	(56,194)
Net cash used in investing activities	(6,880)	(64,776)
Drawdown of loans and borrowings	3,056	45,707
Repayment of loans and borrowings	(15,794)	(68,569)
Proceeds from government grant	2,356	-
Proceeds from issuance of ordinary shares	66,264	17,483
Proceeds from exercise of warrants	1	1,415
Net cash generated from/(used in) financing activities	55,883	(3,964)
Net increase/(decrease) in cash & cash equivalents	12,060	(8,757)
Cash and cash equivalents at beginning of year	(28,377)	(19,620)
Effect of exchange rate changes on the balance of cash held in foreign currencies	43	-
Cash and cash equivalents at end of year	(16,274)	(28,377)
Cash and cash equivalents comprise:		
Cash and bank balances	10,039	1,564
Bank overdrafts	(26,313)	(29,941)
	(16,274)	(28,377)

(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2019)

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	←————— Attributable to equity holders of the Company —————→				—————→		
	←————— Non-distributable		—————→ Distributable				
	Ordinary shares (RM'000)	Irredeemable convertible preference shares (RM'000)	Warrant reserve (RM'000)	Retained earnings/ losses (RM'000)	Total (RM'000)	Non- controlling interests (RM'000)	Total equity (RM'000)
At 1 July 2018	356,167	172,827	5,492	21,371	555,857	-	555,857
Total comprehensive expense for the year	-	-	-	(79,320)	(79,320)	-	(79,320)
Issuance of ordinary shares							
- private placement	17,483	-	-	-	17,483	-	17,483
- exercise of warrants	1,853	-	(439)	-	1,414	-	1,414
At 30 June 2019	375,503	172,827	5,053	(57,949)	495,434	-	495,434
At 1 July 2019	375,503	172,827	5,053	(57,949)	495,434	-	495,434
Total comprehensive expense for the year	-	-	-	(44,752)	(44,752)	(2)	(44,754)
Issuance of ordinary shares							
- special issue	68,823	-	-	-	68,823	-	68,823
- exercise of ICPS conversion rights	75,669	(75,669)	-	-	-	-	-
- exercise of warrants	1	-	(1)	-	-	-	-
- transfer of warrant reserve upon expiry of warrants to retained earnings	-	-	(5,052)	5,052	-	-	-
Share issuance expenses	(2,559)	-	-	-	(2,559)	-	(2,559)
At 30 June 2020	517,437	97,158	-	(97,649)	516,946	(2)	516,944

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019)

PART A - NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad(" Bursa Malaysia").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019.

A2. Accounting Policies

The accounting policies and methods of computation applied in the unaudited condensed interim financial report are consistent with those adopted as disclosed in the audited financial statements of the Group for the financial year ended 30 June 2019.

The Group has adopted the new and revised Malaysian Financial Reporting Standards ("MFRSs") and IC Interpretations that became mandatory for the current reporting period, except for the IFRS Interpretations Committee ("IFRIC") agenda decision on borrowing cost relating to over time transfer of constructed goods. The Group is assessing the impact on the change in accounting policy pursuant to the IFRIC agenda decision, which apply to financial statements of annual periods beginning on or after 1 July 2020.

The adoption of the other new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

A3. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 30 June 2019 were unqualified.

A4. Seasonal or Cyclical Factors

The Group's operations were not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the financial year ended 30 June 2020.

A6. Changes in Estimates

There were no material changes in estimates for the financial year ended 30 June 2020.

A7. Debts and Equity Securities

There were no issuance and repayment of the debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial year ended 30 June 2020 except for the followings:

- i. Issuance of cumulative 329,000,000 new ordinary shares in six tranches pursuant to the Special Issue at an issue price of RM0.23, RM0.235, RM0.17, RM0.21, RM0.18 and RM0.17 per ordinary share respectively;
- ii. Conversion of cumulative 94,585,721 irredeemable convertible preference (“ICPS”) shares into 94,585,721 new ordinary shares pursuant to the exercise of conversion rights of ICPS 2016/2026; and
- iii. Issuance of 2,600 new ordinary shares pursuant to the exercise of warrants at the exercise price of RM0.50 per share.

A8. Dividends Paid

There was no payment of dividend during the financial year ended 30 June 2020.

A9. Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial year under review.

A10. Contingent Liabilities

There were no contingent liabilities in respect of the Group since the last financial year.

A11. Commitments

	As at 30.06.2020 RM'000
Approved and contracted for:	
Commitment for construction of property, plant and equipment	62,653 =====

A12. Significant Related Party Transactions

There were no significant related party transactions during the financial year ended 30 June 2020.

A13. Segment Reporting

The segmental analysis for the financial year ended 30 June 2020 is as follows:

	Property development RM'000	Property investment RM'000	Others RM'000	Elimination RM'000	Total RM'000
External sales	37,311	5,295	-	-	42,606
Inter-segment	-	-	10,500	(10,500)	-
Total	37,311	5,295	10,500	(10,500)	42,606
Gross loss	(4,054)	(17,996)	10,500	(10,500)	(22,050)
Other income	5,913	349	46	-	6,308
Other expenses	(9,134)	(5,922)	(11,758)	10,500	(16,314)
Operating loss	(7,275)	(23,569)	(1,212)	-	(32,056)
Finance costs					(7,213)
Loss before tax					(39,269)
Taxation					(5,485)
Loss after tax					(44,754)
Non-controlling interest					2
Loss for the year					(44,752)
Other information					
Segment assets	417,749	587,198	18,621	-	1,023,568
Unallocated corporate assets					7,418
Total consolidated corporate assets					1,030,986
Segment liabilities	241,983	237,736	33,881	-	513,600
Unallocated corporate liabilities					442
Total consolidated corporate liabilities					514,042

A14. Material Events subsequent to the End of Financial Period

There were no material events after 30 June 2020 till 20 August 2020 (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report), except as disclosed below in Note B5.

PART B -ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group Performance

Revenue and profit or loss before tax (“PBT” or “LBT”) of the respective operating business segments for the current quarter and financial year to-date are analysed as follows:

	3 MONTHS ENDED			12 MONTHS ENDED		
	30.06.20 RM'000	30.06.19 RM'000	Changes RM'000	30.06.20 RM'000	30.06.19 RM'000	Changes RM'000
Revenue						
Property Development	577	8,157	(7,580)	37,311	89,434	(52,123)
Property Investment	-	1,822	(1,822)	5,295	10,962	(5,667)
	577	9,979	(9,402)	42,606	100,396	(57,790)
Loss Before Tax						
Property Development	(16,022)	(69,505)	(53,483)	(10,607)	(57,696)	(47,089)
Property Investment	(6,296)	(8,116)	(1,820)	(28,662)	(34,840)	(6,178)
	(22,318)	(77,621)	(55,303)	(39,269)	(92,536)	(53,267)

(a) Performance of the current quarter against the same quarter in the preceding year (4Q 2020 vs 4Q 2019)

Property Development

The Group recorded revenue of RM0.58 million and LBT of RM16.02 million in the current quarter ended 30 June 2020 as compared to revenue of RM8.16 million and LBT of RM69.50 million in the preceding year quarter.

The decrease in revenue and LBT incurred in 4Q 2020 was mainly due to site progress of all projects being suspended during the Movement Control Order (“MCO”) and Conditional Movement Control Order (“CMCO”) periods announced by the Government. The Group also revised the project costing for all the development projects to reflect the delay in work progress.

In the corresponding 4Q 2019, the significant LBT incurred was mainly due to a one-off impairment on inventories and receivables amounting to RM59.93 million in relation to the termination of en-bloc sale of Terra Square and long outstanding receivables arising from the disposal of dyeing business segment in financial year 2017.

Property Investment

In compliance with MCO and CMCO announced by the Government, Encore Melaka theatre was closed for business during the current quarter under review.

Despite no ticket sales, the LBT of RM6.30 million mainly arose from non-operating expenses such as depreciation of theatre building, amortisation of intangible assets and finance cost incurred.

B1 Review of Group Performance (cont'd)

(b) Performance of the current year to-date against the preceding year to-date (YTD 2020 vs YTD 2019)

Property Development

During the financial year to-date, the Group achieved revenue of RM37.31 million and incurred LBT of RM10.61 million as compared to revenue of RM89.43 million and LBT of RM57.70 million in the preceding year to-date. The decrease in revenue and LBT incurred for YTD 2020 as compared to YTD 2019 was as mentioned above.

Property Investment

During the financial year to-date, the Group registered revenue of RM5.30 million and incurred LBT of RM28.66 million. The decrease in revenue and LBT incurred for YTD 2020 as compared to YTD 2019 was as mentioned above.

B2. Material Changes in the Quarterly Results compared to the results of the preceding Quarter

The Group's current quarter loss before tax was RM22.32 million as compared to RM12.02 million loss before tax reported in the preceding quarter ended 31 March 2020. The overall weaker performance in the current quarter was mainly due to imposition of MCO and CMCO which had disrupted the site construction progress and consequently affected the profit recognition. In addition to that, the revision of project costing for all development projects had incurred additional losses incurred.

B3. Prospects for the Financial Year Ending 2021 ("FY 2021")

While Malaysia's economy is now in a recovery stage post CMCO, the Group anticipates the property and tourism markets to remain subdued in the medium term due to poor market sentiment, high level of unsold stocks in the property market and strong decline in tourists' arrivals as a result of travel ban imposed by various countries

Looking ahead, the Group will place more emphasis on clearing the existing property inventories and conduct careful rationalisation of new launches, in particular the Cruise Terminal which is being planned for FY 2021. The Group will also carry out cost rationalisation initiatives in order to conserve cashflow during this challenging operating environment and for better operational efficiency for FY 2021.

With total unbilled revenue of RM366 million as at 30 June 2020, which are attributable to its ongoing development projects, namely The Apple, Amber Cove, The Dawn and Impression U-Thant, the Group's business will remain resiliently for the financial year ending 30 June 2021.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

B5. Status of Corporate Proposals

- (a) There were no other corporate proposals that have been announced by the Company and which were not completed as at 20 August 2020, (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report), except for the balance 52 million Special Issues which was approved by Bursa Malaysia Securities Berhad for further extension of time till 31 December 2020 to complete the Special Issue exercise.
- (b) Utilisation of proceeds raised from corporate proposal as at 30 June 2020 are as follow:
- (i) Proceeds totalling RM68.82 million were raised under the six tranches of the Special Issue exercise carried out up to third quarter of the financial year ending 30 June 2020 which was completed on 20 August 2019, 4 September 2019, 29 October 2019, 28 November 2019, 19 December 2019 and 15 January 2020 respectively. The status of the utilisation of these proceeds is as set out below:

Purpose	Actual raised RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Part financing the development of the following:			
- Terra Square	27,741	(27,741)	-
- Impression City	12,017	(12,017)	-
- Impression U-Thant	5,310	(5,310)	-
Working capital	21,255	(21,255)	-
Defray estimated expenses	2,500	(2,500)	-
Total	68,823	(68,823)	-

B6. Material Litigation

The Group was not engaged in any material litigation as at 20 August 2020 (the latest practicable date (“LPD”) which is not earlier than 7 days from the date of issue of this interim financial report).

B7. Dividends Declared

No interim dividend has been declared or paid in respect of the financial year ended 30 June 2020.

B8. Taxation

	3 Months Ended		12 Months Ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Income tax				
- current quarter/year	(160)	(2,706)	125	1,157
- under provision in prior year	67	-	71	116
Deferred taxation	5,289	(11,989)	5,289	(14,489)
Tax expenses for the quarter/year	<u>5,196</u>	<u>(14,695)</u>	<u>5,485</u>	<u>(13,216)</u>

The Group's effective tax rate for the current quarter and financial year to date is not comparable to the statutory tax rate as the Group is at loss position.

B9. Group Borrowings

	As at 30.06.2020 (RM'000)
<u>Current</u>	
Bank overdraft (unsecured)	26,313
Term loans (secured)	39,145
Finance lease (secured)	635
	<u>66,093</u>
<u>Non-Current</u>	
Term loans (secured)	150,267
Finance lease (secured)	766
Total	<u>151,033</u>

All borrowings were denominated in Ringgit Malaysia as at the reporting date.

B10. Notes to the Statement of Comprehensive Income

	3 Months Ended 30.06.2020 RM'000	12 Months Ended 30.06.2020 RM'000
Notes to the Statement of Comprehensive Income comprises:-		
Interest income	5	22
Interest expenses	(1,689)	(7,213)
Depreciation of property, plant, equipment	(1,669)	(6,683)
Amortisation of intangible assets	(1,506)	(6,593)
Loss on disposal of property, plant and equipment	(2)	(4)
Inventory written-off	(1)	(1)
Foreign exchange- unrealised gain	43	43
Provision for doubtful debts	(300)	(300)

Other than the above, the items listed under Appendix 9B Note 16 of the listing Requirement of Bursa Malaysia Securities Berhad are not applicable.

B11. Earnings/(Loss) Per Share

a. Basic

Earnings/(loss) per share has been calculated by dividing the Group's profit/(loss) for the current quarter and financial period to-date attributable to equity holders of the Company by the weighted average number of shares in issue during the financial year.

	3 Months Ended		12 Months Ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Net (loss) attributable to equity holders of the Company	<u>(27,513)</u>	<u>(62,926)</u>	<u>(44,752)</u>	<u>(79,320)</u>
Weighted average number of ordinary shares in issue ('000)	<u>956,466</u>	<u>534,208</u>	<u>836,233</u>	<u>497,771</u>
Basic (loss) per share attributable to equity holders of the Company (Sen)	<u>(2.88)</u>	<u>(11.78)</u>	<u>(5.35)</u>	<u>(15.94)</u>

b. Diluted

Diluted earnings/(loss) per share has been calculated by dividing the Group's profit/(loss) attributable to equity holders of the Company by the weighted average number of shares that would have been in issue upon full exercise of the Warrants and conversion of irredeemable convertible preference shares ("ICPS"), adjusted for the number of such shares that would have been issued at fair value. However, in the event that the potential exercise of the Warrants gives rise to an anti-dilutive effect on earnings per share, the potential exercise of the Warrants is not taken into account in calculating diluted earnings per share.

	3 Months Ended		12 Months Ended	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM'000	RM'000	RM'000	RM'000
Net (loss) attributable to equity holders of the Company	<u>(27,513)</u>	<u>(62,926)</u>	<u>(44,752)</u>	<u>(79,320)</u>
Weighted average number of ordinary shares in issue ('000)	956,466	534,208	836,233	497,771
Effect of potential exercise of Warrants ('000)	-	-	-	4,895
Effect of conversion of ICPS ('000)	<u>121,449</u>	<u>216,034</u>	<u>121,448</u>	<u>216,034</u>
Adjusted weighted average number of ordinary shares ('000)	<u>1,077,915</u>	<u>750,242</u>	<u>957,681</u>	<u>718,700</u>
Diluted (loss) per share attributable to equity holders of the Company (Sen)	<u>(2.55)</u>	<u>Nil</u>	<u>(4.67)</u>	<u>Nil</u>

By Order of the Board,
Datuk Wira Boo Kuang Loon
Executive Director / Chief Executive Officer
Date: 27 August 2020