

**Unaudited Third Quarter Financial Statements and Dividend Announcement for the period ended 31 March 2019**

The Board of Directors of Astaka Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) is pleased to announce the unaudited consolidated results of the Group for the 3<sup>rd</sup> quarter ended 31 March 2019.

**PART I Information Required for Quarterly (Q1, Q2 & Q3), Half- Year and Full Year Announcements**

- 1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group		
	3 months ended 31/3/2019 (Unaudited) RM'000	31/3/2018 (Unaudited) RM'000	Change %	9 months ended 31/3/2019 (Unaudited) RM'000	31/3/2018 (Unaudited) RM'000	Change %
Revenue	77,459	75,325	2.8	187,978	285,805	(34.2)
Cost of sales	(101,856)	(63,331)	60.8	(202,456)	(241,208)	(16.1)
Gross (loss)/profit	(24,397)	11,994	n.m.	(14,478)	44,597	n.m.
Other income	466	717	(35.0)	4,315	1,598	170
Other (loss)/gains	(66)	(367)	(82.0)	11	(798)	n.m.
Expenses:						
Selling and distribution	(5,657)	(773)	631.8	(6,693)	(1,975)	238.9
Administrative	(5,823)	(3,339)	74.4	(13,184)	(10,565)	24.8
Finance costs	(7)	(7)	-	(19)	(22)	(13.6)
Others	(2,130)	(127)	1,577.2	(2,459)	(990)	148.4
<b>(Loss)/Profit before Tax</b>	<b>(37,614)</b>	<b>8,098</b>	n.m.	<b>(32,507)</b>	<b>31,845</b>	n.m.
Income tax credit/ (expense)	2,650	(1,550)	n.m.	(1,113)	(8,679)	(87.2)
<b>(Loss)/Profit after tax and total comprehensive income for the period</b>	<b>(34,964)</b>	<b>6,548</b>	n.m.	<b>(33,620)</b>	<b>23,166</b>	n.m.
<b>(Loss)/Profit and total comprehensive income attributable to:</b>						
<b>Equity holders of the Company</b>	<b>(36,659)</b>	<b>6,407</b>	n.m.	<b>(34,978)</b>	<b>22,824</b>	n.m.
<b>Non-controlling interests</b>	<b>1,695</b>	<b>141</b>	1,102.1	<b>1,358</b>	<b>342</b>	297.1
<b>Total comprehensive income</b>	<b>(34,964)</b>	<b>6,548</b>	n.m.	<b>(33,620)</b>	<b>23,166</b>	n.m.

n.m. – not meaningful

- 1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year: -

(Loss)/Profit for the financial period is stated after charging/(crediting) the following:

	Group		Group	
	3 months ended 31/3/2019 (Unaudited) RM'000	31/3/2018 (Restated) RM'000	9 months ended 31/3/2019 (Unaudited) RM'000	31/3/2018 (Unaudited) RM'000
Depreciation of property, plant and equipment	146	367	596	1,097
Interest expense	7	7	19	22
Interest income	(27)	(59)	(201)	(189)
Foreign exchange gains	(69)	(9)	(75)	(11)
Forfeiture income	-	-	(3,355)	-
(Reversal of provision)/Provision for foreseeable losses on development properties	(795)	-	432	-

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/3/2019 (Unaudited) RM'000	30/6/2018 (Audited) RM'000	31/3/2019 (Unaudited) RM'000	30/6/2018 (Audited) RM'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	793	1,279	-	-
Investment in subsidiaries	-	-	1,229,000	1,229,000
Deferred tax assets	1,210	2,942	-	-
	2,003	4,221	1,229,000	1,229,000
<b>Current assets</b>				
Development properties	545,248	543,622	-	-
Contract assets	41,462	21,581	-	-
Trade and other receivables	67,725	261,181	68	43
Amount due from related parties	-	-	108,524	111,318
Cash and cash equivalents	19,013	16,422	4,081	4,778
	673,448	842,806	112,673	116,139
<b>Total assets</b>	<b>675,451</b>	<b>847,027</b>	<b>1,341,673</b>	<b>1,345,139</b>
<b>EQUITY</b>				
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	259,384	259,384	1,455,079	1,455,079
Capital reserve	-	-	1,419	1,419
Merger reserve	(10,769)	(10,769)	-	-
Accumulated losses	(51,612)	(16,634)	(118,156)	(114,865)
	197,003	231,981	1,338,342	1,341,633
Non-controlling interest	4,000	2,642	-	-
<b>Total equity</b>	<b>201,003</b>	<b>234,623</b>	<b>1,338,342</b>	<b>1,341,633</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	397,638	432,882	331	553
Contract liabilities	5,722	33,342	-	-
Current tax liabilities	6,270	12,402	-	-
Bank overdraft	9,934	12,962	-	-
Borrowings	-	61,908	-	-
Finance lease liabilities	161	186	-	-
Amount due to related parties	54,455	44,392	3,000	2,953
	474,180	598,074	3,331	3,506
<b>Non-current liabilities</b>				
Borrowings	-	13,938	-	-
Finance lease liabilities	268	392	-	-
	268	14,330	-	-
<b>Total liabilities</b>	<b>474,448</b>	<b>612,404</b>	<b>3,331</b>	<b>3,506</b>
<b>Total equity and liabilities</b>	<b>675,451</b>	<b>847,027</b>	<b>1,341,673</b>	<b>1,345,139</b>

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year: -

(a) the amount repayable in one year or less, or on demand;

As at 31/3/2019		As at 30/6/2018	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
10,095	-	75,056	-

(b) the amount repayable after one year;

As at 31/3/2019		As at 30/6/2018	
Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
268	-	14,330	-

(c) whether the amounts are secured or unsecured; and

The Group did not have any unsecured loan as at 31 March 2019 and 30 June 2018.

(d) details of any collaterals

As at 31 March 2019, the Group's financing facilities of RM10,000,000 (30 June 2018: RM369,770,000) was secured by pledge of fixed deposits from a controlling shareholder (30 June 2018: pledge of fixed deposits from a controlling shareholder and development properties of the Group).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3 months ended 31/3/2019 (Unaudited) RM'000	31/3/2018 (Unaudited) RM'000	9 months ended 31/3/2019 (Unaudited) RM'000	31/3/2018 (Unaudited) RM'000
<b>Cash flow from operating activities</b>				
<b>(Loss)/Profit after tax</b>	(34,964)	6,548	(33,620)	23,166
Adjustment for:				
- Income tax expense	(2,650)	1,550	1,113	8,679
- (Reversal of provision)/Provision for foreseeable losses on development properties	(795)	-	432	-
- Depreciation of property, plant and equipment	146	367	596	1,097
- Interest expense	7	7	19	22
- Interest income	(27)	(59)	(201)	(189)
- Currency translation gains	(69)	(9)	(75)	(11)
	(38,352)	8,404	(31,736)	32,764
Change in working capital:				
Development properties	45,738	(18,949)	692	(131,309)
Contract assets/(liabilities)	(30,137)	2,940	(47,501)	53,941
Trade and other receivables	18,763	(14,861)	193,456	(43,177)
Trade and other payables	8,302	16,395	(35,169)	45,910
<b>Cash generated from/(used in) operations</b>	4,314	(6,071)	79,742	(41,871)
Income tax refunded/(paid)	338	(2,363)	(5,513)	(2,950)
<b>Net cash flow generated from/(used in) operating activities</b>	<b>4,652</b>	<b>(8,434)</b>	<b>74,229</b>	<b>(44,821)</b>
<b>Cash flow from investing activities</b>				
Additions to property, plant and equipment	(7)	(47)	(110)	(133)
Interest received	27	59	201	189
<b>Net cash flow generated from investing activities</b>	<b>20</b>	<b>12</b>	<b>91</b>	<b>56</b>
<b>Cash flows from financing activities</b>				
Amount due to related parties	2,832	1,779	10,063	3,454
Additional investment from non-controlling interest	-	-	-	2,450
Proceeds from drawdown of term loan	-	39,550	-	70,952
Repayment of term loan	(3,973)	(22,344)	(75,846)	(28,896)
Repayment of finance lease liabilities	(50)	(42)	(149)	(126)
Interest paid	(545)	(2,166)	(2,769)	(3,944)
<b>Net cash flow (used in)/generated from financing activities</b>	<b>(1,736)</b>	<b>16,777</b>	<b>(68,701)</b>	<b>43,890</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,936</b>	<b>8,355</b>	<b>5,619</b>	<b>(875)</b>
<b>Cash and cash equivalents</b>				
Beginning of financial period	6,143	3,435	3,460	12,665
<b>End of financial period</b>	<b>9,079</b>	<b>11,790</b>	<b>9,079</b>	<b>11,790</b>

For the purposes of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	31/3/2019 (Unaudited)	31/3/2018 (Unaudited)
Cash and bank balances	19,013	24,670
(-) Bank overdrafts	(9,934)	(12,880)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b>9,079</b>	<b>11,790</b>

- 1(d)(i) A statement (for the issuer and group) showing either (1) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Group  
(Unaudited)**

	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
Balance as at 1 July 2018	259,384	(10,769)	(16,634)	231,981	2,642	234,623
Profit and total comprehensive income for the period	-	-	1,681	1,681	(337)	1,344
<b>Balance as at 31 December 2018</b>	<b>259,384</b>	<b>(10,769)</b>	<b>(14,953)</b>	<b>233,662</b>	<b>2,305</b>	<b>235,967</b>
Loss and total comprehensive income for the period	-	-	(36,659)	(36,659)	1,695	(34,964)
<b>Balance as at 31 March 2019</b>	<b>259,384</b>	<b>(10,769)</b>	<b>(51,612)</b>	<b>197,003</b>	<b>4,000</b>	<b>201,003</b>
	Share capital RM'000	Merger reserve RM'000	Accumulated losses RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
Balance as at 1 July 2017	259,384	(10,769)	(26,892)	221,723	1,083	222,806
Acquisition of interests in subsidiary by non-controlling interests	-	-	-	-	2,450	2,450
Profit and total comprehensive income for the period	-	-	16,417	16,417	201	16,618
<b>Balance as at 31 December 2017</b>	<b>259,384</b>	<b>(10,769)</b>	<b>(10,475)</b>	<b>238,140</b>	<b>3,734</b>	<b>241,874</b>
Profit and total comprehensive income for the period	-	-	6,407	6,407	141	6,548
<b>Balance as at 31 March 2018</b>	<b>259,384</b>	<b>(10,769)</b>	<b>(4,068)</b>	<b>244,547</b>	<b>3,875</b>	<b>248,422</b>

**Company  
(Unaudited)**

	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2018	1,455,079	1,419	(114,865)	1,341,633
Loss and total comprehensive income for the period	-	-	(1,950)	(1,950)
<b>Balance as at 31 December 2018</b>	<b>1,455,079</b>	<b>1,419</b>	<b>(116,815)</b>	<b>1,339,683</b>
Loss and total comprehensive income for the period	-	-	(1,341)	(1,341)
<b>Balance as at 31 March 2019</b>	<b>1,455,079</b>	<b>1,419</b>	<b>(118,156)</b>	<b>1,338,342</b>
	Share capital RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance as at 1 July 2017	1,455,079	1,419	(109,240)	1,347,258
Loss and total comprehensive income for the period	-	-	(2,826)	(2,826)
<b>Balance as at 31 December 2017</b>	<b>1,455,079</b>	<b>1,419</b>	<b>(112,066)</b>	<b>1,344,432</b>
Loss and total comprehensive income for the period	-	-	(1,835)	(1,835)
<b>Balance as at 31 March 2018</b>	<b>1,455,079</b>	<b>1,419</b>	<b>(113,901)</b>	<b>1,342,597</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of issued shares	Issued and paid-up share capital (RM'000)
Balance as at 1 January 2019	1,869,434,303	1,455,079
<b>Balance as at 31 March 2019</b>	<b>1,869,434,303</b>	<b>1,455,079</b>

The Company did not have any outstanding options or convertibles as at 31 March 2019 and 31 March 2018. There were no treasury shares or subsidiary holdings as at 31 March 2019 and 31 March 2018.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31/3/2019	As at 30/6/2018
Total number of issued shares	1,869,434,303	1,869,434,303

There were no treasury shares as at 31 March 2019 and 30 June 2018.

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard and practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter).

Not applicable. The figures have not been audited or reviewed by the Company's auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5, the accounting policies and methods of computations adopted in the financial statements for the current financial period reported on are consistent with those disclosed in the most recently audited consolidated financial statements of the Group for the financial year ended 30 June 2018.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

In December 2017, the Accounting Standards Council (“ASC”) issued the Singapore Financial Reporting Standards (International) (“SFRS(I)”). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) at 31 December 2017 that are applicable for annual period beginning on 1 January 2018. Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore, will apply SFRS(I) with effect from annual periods beginning on or after 1 January 2018.

The Group’s financial statements for the financial year ending 30 June 2019 will be prepared in accordance with SFRS(I). The application of the new standards and interpretations (including SFRS(I) (9) as further detailed below) do not have any significant impact on the Group’s financial statements for the current financial period reported on.

***SFRS(I) 9 Financial Instruments***

SFRS(I) 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It also introduces a new “expected credit loss” (“ECL”) model and a new general hedge accounting model. The Group adopted SFRS(I) 9 from 1 July 2018.

In accordance with the exemption in SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International), the Group elected not to restate information for the financial year ended 30 June 2018. Accordingly, the information presented for the financial year ended 30 June 2018 is presented, as previously reported, under FRS 39 Financial Instruments: Recognition and Measurement. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained earnings as at 1 July 2018.

The expected impact on adoption of SFRS(I) 9 are described below.

***Impairment***

The Group’s financial assets consist of loans and receivables that continue to be accounted for using amortised cost model under SFRS(I) 9. SFRS(I) 9 replaces the current ‘incurred loss’ model in FRS 39 with a forward-looking expected credit loss (“ECL”) model. The new impairment model applies to financial assets measured at amortised cost.

The Group applied the simplified approach and record lifetime ECL on all trade receivables. For the non-trade receivables, the Group applied the general approach and record 12-month ECL on non-trade receivables.

Based on the assessment, there is no significant impact on the Group’s financial statements for the current financial period reported on arising from SFRS(I) 9.

***Borrowing Costs Relating to Development Properties***

In December 2018, the IFRS Interpretations Committee issued a tentative agenda decision for public comments where it presented its views that borrowing costs relating to development properties that are ready for its intended sale (i.e. ready for launch) should not be capitalised and instead, be expensed when incurred. The Group’s accounting policy currently capitalises borrowing costs relating to its development properties under construction, which is the general market practice for developers in Singapore. The IFRS Interpretations Committee yet to finalize the agenda decision as of the date of this announcement. Following the finalisation of the agenda decision, management will assess the impact from adopting this accounting approach on its financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: -

	3 months ended		9 months ended	
	31/3/2019 (Unaudited)	31/3/2018 (Unaudited)	31/3/2019 (Unaudited)	31/3/2018 (Unaudited)
Total comprehensive income attributable to equity holders of the Company (RM'000)	(36,659)	6,407	(34,978)	22,824
Weighted average number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	1,869,434,303
<b>Basic (loss)/ earnings per share ("LPS"/"EPS") (RM'sen)</b>	(1.96)	0.34	(1.87)	1.22
<b>Fully diluted (LPS)/EPS (RM'sen)</b>	(1.96)	0.34	(1.87)	1.22

The basic and fully diluted LPS/EPS were the same as there were no potentially dilutive ordinary shares in issue as at 31 March 2019 and 31 March 2018.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -  
(a) Current financial period reported on; and  
(b) Immediately preceding financial year

	Group		Company	
	31/3/2019 (Unaudited)	30/6/2018 (Audited)	31/3/2019 (Unaudited)	30/6/2018 (Audited)
Net Assets Value (RM'000)	201,003	234,623	1,338,342	1,341,633
Number of ordinary shares in issue	1,869,434,303	1,869,434,303	1,869,434,303	1,869,434,303
<b>NAV per ordinary share (RM'sen)</b>	10.75	12.55	71.59	71.77

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Consolidated statement of comprehensive income**

Revenue

The increase in revenue of RM2.1 million for 3QFY2019 was mainly due to higher revenue recognised from:-

- (i) the Menara Majlis Bandaraya Johor Bahru ("MJB") project of RM40.1 million in 3QFY2019 as compared to 3QFY2018 of RM11.5 million; and  
(ii) the Bukit Pelali @ Pengerang ("BPP") project of RM37.4 million in 3QFY2019 as compared to 3QFY2018 of RM12.4 million.

There was no revenue from The Astaka @ One Bukit Senyum ("The Astaka") in 3QFY2019, as compared with revenue recognised in 3QFY2018 of RM51.3 million. The absence of revenue in 3QFY2019 arose as The Astaka project had completed in June 2018 and there were no sales recorded in 3QFY2019.

Cost of Sales and Gross Loss

The Group's costs of sales increased by 60.8% to RM101.8 million, this was mainly due to higher percentage of completion for MJB & BPP projects and additional development costs incurred for The Astaka amounting



to an aggregate of RM26.6 million. The additional development costs were mainly incurred for additional and touch-up works to The Astaka to further enhance its market position as an iconic building in the Iskandar region of Johor Bahru. For prudent reasons, the Company has accounted for the development costs of RM26.6 million in 3QFY2019 based on additional claims from main contractor and to be assessed/certified by the independent quantity surveyor. The final cost components and costs allocation will be dependent on the outcome of the negotiations with the main contractor and confirmation of the quantity surveyor.

#### Other Operating Income

Other operating income decreased by RM251,000 to RM466,000 in 3QFY2019 mainly due to decrease in The Astaka's late-payment interest on progress billings charged to buyers which amounted to RM547,000.

The aforesaid decrease was offset by interest received from fixed deposits with financial institutions which amounted to RM306,000.

#### Expenses

Selling and distribution expenses increased by RM4,884,000 to RM5,657,000 in 3QFY2019 from RM773,000 in 3QFY2018. The increase was mainly due to marketing expenses incurred in relation to the organising of events and roadshows for selling and promoting The Astaka and BPP projects.

Administrative expenses increased by RM2.5 million to RM5.8 million in 3QFY2019 from RM3.3 million in 3QFY2018, mainly due to the following costs for The Astaka:

- i. repair and maintenance cost incurred of RM1.09 million in 3QFY2019 for the common area in both of the residential towers (3QFY2018: Nil); and
- ii. 6-months (for the period October 2018 to March 2019) maintenance fee and sinking fund paid to property management for unsold units for The Astaka which amounted to RM976,000 (3QFY2018: Nil); and

Other operating expenses increased by approximately RM2.0 million to RM2.1 million in 3QFY2019 mainly due to interest charges of RM1.62 million charged by Inland Revenue Board of Malaysia ("IRBM") to the Company ("IRBM Charges") for the approved instalments of corporate tax payments in years of assessment ("YOA") 2016 and 2017, which were omitted by IRBM in their prior billings and only billed to the Company during the quarter. For the avoidance of doubt, the corporate income taxes for YOA 2016 and 2017 had been fully paid by the Company. The instalment payments for the corporate income tax for YOA 2018 are in progress with interest charges of RM267,000 incurred in 3QFY2019.

#### **Consolidated statement of financial position**

Property, plant and equipment decreased to RM793,000 as at 31 March 2019 from RM1.2 million as at 30 June 2018, mainly due to the depreciation charges on existing and newly acquired property, plant and equipment for operational purposes.

Deferred tax assets which amounted to RM1.2 million as at 31 March 2019 was mainly attributable to temporary differences for property, plant and equipment.

Development properties increased by RM1.6 million to RM545.2 million as at 31 March 2019. The increase was in line with the progress of the current on-going construction of BPP projects.

Contract assets have increased by RM19.9 million to RM41.5 million as at 31 March 2019 mainly due to contract costs incurred for the BPP project which has not been billed to the purchasers.

Trade and other receivables decreased by RM193.4 million to RM67.7 million as at 31 March 2019, mainly attributed to the collections of progressive billings from The Astaka.

Trade and other payables decreased by RM35.2 million to RM397.6 million as at 31 March 2019 mainly pertaining to the payment to the contractors for The Astaka.

Contract liabilities have decreased to RM5.7 million from RM33.3 million as at 31 March 2019, mainly due to more progress billings issued to the MBBJ.

Bank overdraft and current borrowings decreased from RM74.9 million to RM9.9 million as at 31 March 2019, due to the full repayment of bank borrowings and no drawdown made in the quarter.

Amount due to related parties increased by RM10.0 million to RM54.4 million as at 31 March 2019, which was mainly attributed to RM9 million being the BPP land consideration payable to the joint venture partner, Saling Syabas Sdn Bhd ("SSSB"). Based on the terms of the development agreement entered into between Bukit Pelali Properties Sdn Bhd ("BPPSB") (a 51:49 joint venture company between by the Company's 99.99% owned subsidiary, Astaka Padu Sdn Bhd ("APSB") and SSSB) and SSSB, BPPSB shall pay SSSB 12% of the cash proceeds to be received from the individual purchasers of the properties in the BPP project, such amount to be capped at and shall not exceed the sum of RM165.0 million.

Long term borrowings decreased by RM13.9 million to RM Nil as at 31 March 2019, due to the repayment of borrowings during the quarter ended 31 December 2018.

Share capital remained at RM259.4 million as at 31 March 2019 and 30 June 2018.

### **Consolidated statement of cash flow**

The Group reported a net cash inflow from operating activities of RM4.7 million in 3QFY2019 as compared to a net cash outflow of RM8.4 million in 3QFY2018. This was primarily due to progress billings received from the purchasers which arose from the MBBJ & BPP project.

Net cash inflow from investing activities of RM20,000 in 3QFY2019 was mainly due to interest income received from financial institutions which amounted to RM27,000 offset against cashflow used in acquiring new property, plant and equipment amounted to RM6,000.

Net cash outflow from financing activities of RM1.7 million in 3QFY2019 was mainly due to the repayment of bank borrowings and finance lease liabilities which amounted to RM4.0 million, offset by RM2.8 million due to related parties in relation to land consideration payable to the joint venture partner as explained above.

As a result, the Group recorded an overall net increase in cash and cash equivalents of RM2.9 million in 3QFY2019 as compared to net increase of RM8.3 million in 3QFY2018. As at 31 March 2019, the Group's cash and cash equivalents amounted to RM9.1 million.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

#### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group continues to remain positive about the long-term outlook due to the new government of Malaysia efforts in boosting the development sector and further spur the economy including:- (i) the abolishment of the Goods and Services Tax in 2018 and the exemption of construction materials from the new Sales and Services Tax in Malaysia, which may lower construction costs; (ii) good progress updates on the East Coast Railway Line ("ECRL") to continue with the finalisation of the price; and the (iii) revival of the Bandar Malaysia project.

The Group is on track for the construction and development of its two phases of development comprising terrace houses and shop offices in the Bukit Pelali Township in second quarter of this calendar year. Meanwhile, the construction and development of MBBJ is on track as well, scheduled for completion in fourth quarter of 2019.

The Group continues to explore strategic alliances to develop Phase 3 of One Bukit Senyum which spans approximately 7.65 acres.

#### **11. If a decision regarding dividend has been made: -**

**(a)** Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for the current financial period reported on.

**(b)**

(i) Amount per share (RM'sen)

Not applicable.

(ii) Previous corresponding period (RM'sen)

Not applicable. No dividend has been declared or recommended for the corresponding period of the immediately preceding financial year.

**(c)** Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

**(d)** The date the dividend is payable.

Not applicable.

**(e)** The date on which Registrable Transfers received by the Company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No interim dividend has been declared or recommended for the current reporting period as the Group was loss-making in 3QFY2019.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

<b>Name of interested person</b>	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
Dato Daing A Malek Bin Daing A Rahaman ("Dato Malek") and his associates	RM819,743 <sup>(1)</sup>	Not applicable.

**Note:**

(1) Comprise interest payable to Dato Malek for an extension of loan by Dato Malek to the Company.

Save for the above mentioned, there were no interested persons transactions of S\$100,000 or more entered into during 3QFY2019.

The Group does not have a general mandate from its shareholders for recurring interested person transactions.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1).

**15. Negative confirmation pursuant to Rule 705(5).**

The Board hereby confirms that, to the best of their knowledge, nothing has come to their attention that may render the unaudited financial results for the three months and nine months period ended 31 March 2019 to be false or misleading in any material aspect.

**On behalf of the Board of Directors**

**Dato Zamani Bin Kasim**  
**Executive Director and Chief Executive Officer**  
**14 May 2019**

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***This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.***

***This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.***

***The contact person for the Sponsor is Ms. Ling Yuet Shan, Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)).***