

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2019**

	Individual quarter ended		Cumulative quarter ended	
	31/3/19 RM'000	(Restated) 31/3/18 RM'000	31/3/19 RM'000	(Restated) 31/3/18 RM'000
Continuing operations				
Revenue	60,282	25,541	198,881	125,181
Cost of sales	(47,617)	(18,097)	(156,910)	(94,475)
Gross profit	<u>12,665</u>	<u>7,444</u>	<u>41,971</u>	<u>30,706</u>
Other income	7,729	6,243	17,752	14,573
Employee benefits expense	(4,672)	(2,533)	(22,080)	(19,230)
Depreciation and amortisation	(494)	(432)	(1,896)	(1,955)
Other expenses	(8,198)	(8,201)	(22,857)	(23,760)
Profit/(loss) from operations	<u>7,030</u>	<u>2,521</u>	<u>12,890</u>	<u>334</u>
Finance costs	(2,498)	(3,337)	(12,300)	(10,370)
Other investing activities results	(10)	(9,399)	1,843	(1,603)
Share of results of jointly controlled entities	22,275	22,230	93,248	66,553
Profit before taxation	<u>26,797</u>	<u>12,015</u>	<u>95,681</u>	<u>54,914</u>
Taxation	(4,677)	(7,706)	(20,254)	(21,340)
Profit for the period	<u>22,120</u>	<u>4,309</u>	<u>75,427</u>	<u>33,574</u>
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>22,120</u>	<u>4,309</u>	<u>75,427</u>	<u>33,574</u>
Profit attributable to :				
Equity holders of the Company	24,995	4,863	78,204	34,684
Non-controlling interests	(2,875)	(554)	(2,777)	(1,110)
	<u>22,120</u>	<u>4,309</u>	<u>75,427</u>	<u>33,574</u>
Total comprehensive income attributable to :				
Equity holders of the Company	24,995	4,863	78,204	34,684
Non-controlling interests	(2,875)	(554)	(2,777)	(1,110)
	<u>22,120</u>	<u>4,309</u>	<u>75,427</u>	<u>33,574</u>
Earnings per share attributable to equity holders of the Company:	sen	sen	sen	sen
Basic	<u>4.67</u>	<u>1.72</u>	<u>20.75</u>	<u>12.30</u>

Notes: -

Share of results of jointly controlled entities is before tax. Taxation includes share of tax of jointly controlled entities.

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019**

	Unaudited As at 31/3/19 RM'000	(Restated) Audited As at 31/3/18 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	16,348	15,456
Inventories - Land held for property development	227,634	226,215
Investment properties	210,495	166,967
Land use rights	18	18
Goodwill	10,327	10,327
Investment in jointly controlled entities	206,497	135,093
Investment securities	3,288	8,753
Deferred tax assets	24,311	10,859
	<u>698,918</u>	<u>573,688</u>
Current Assets		
Inventories - Property development costs	358,860	406,711
Inventories - Completed properties	135,901	103,251
Contract assets	38,366	83,209
Investment securities	124	170
Trade and other receivables	163,095	113,386
Tax recoverable	12,044	15,673
Cash and bank balances	57,052	37,049
	<u>765,442</u>	<u>759,449</u>
TOTAL ASSETS	<u>1,464,360</u>	<u>1,333,137</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	408,100	310,000
Treasury shares	(361)	(361)
Capital reserve	30,815	30,815
Other reserve	(30,414)	(30,414)
Retained profits	447,164	368,960
Shares held by ESTS Trust	(35,088)	(25,444)
Shareholders' equity	<u>820,216</u>	<u>653,556</u>
Non-controlling interests	(5,560)	(2,783)
Total equity	<u>814,656</u>	<u>650,773</u>
Non-current Liabilities		
Borrowings	346,091	357,627
Deferred income	28,068	35,618
	<u>374,159</u>	<u>393,245</u>
Current Liabilities		
Trade and other payables	146,838	180,696
Contract liability	-	408
Borrowings	125,533	101,245
Current tax payable	3,174	6,770
	<u>275,545</u>	<u>289,119</u>
Total Liabilities	<u>649,704</u>	<u>682,364</u>
TOTAL EQUITY AND LIABILITIES	<u>1,464,360</u>	<u>1,333,137</u>
Net Assets per share attributable to Equity Holders of the Company (RM)	<u>1.53</u>	<u>2.32</u>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 5572-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2019**

	-----Attributable to Equity Holders of the Company----->								
	<-----Non-distributable Reserves----->					Distributable			Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Capital Reserve RM'000	Other Reserve RM'000	Shares held by ESTS Trust RM'000	Retained Profits RM'000	Shareholders' Equity RM'000	Non-controlling Interests RM'000	
12 months ended 31.3.2018									
Balance at 1 April 2017 (as previously reported)	310,000	(351)	30,815	(30,414)	(25,444)	324,967	609,573	(1,673)	607,900
Effect of adoption of MFRS 15	-	-	-	-	-	17,768	17,768	-	17,768
Balance at 1 April 2017 (as restated)	310,000	(351)	30,815	(30,414)	(25,444)	342,735	627,341	(1,673)	625,668
Treasury shares repurchased	-	(10)	-	-	-	-	(10)	-	(10)
Dividend	-	-	-	-	-	(8,459)	(8,459)	-	(8,459)
Profit for the period	-	-	-	-	-	34,684	34,684	(1,110)	33,574
Balance at 31 March 2018	<u>310,000</u>	<u>(361)</u>	<u>30,815</u>	<u>(30,414)</u>	<u>(25,444)</u>	<u>368,960</u>	<u>653,556</u>	<u>(2,783)</u>	<u>650,773</u>
12 months ended 31.3.2019									
Balance at 1 April 2018 (as previously reported)	310,000	(361)	30,815	(30,414)	(25,444)	349,662	634,258	(2,783)	631,475
Effect of adoption of MFRS 15	-	-	-	-	-	19,298	19,298	-	19,298
Balance at 1 April 2018 (as restated)	310,000	(361)	30,815	(30,414)	(25,444)	368,960	653,556	(2,783)	650,773
Rights issue	98,098	-	-	-	-	-	98,098	-	98,098
Conversion of Warrant B	2	-	-	-	-	-	2	-	2
Purchase in respect of ESTS Share	-	-	-	-	(9,644)	-	(9,644)	-	(9,644)
Profit for the period	-	-	-	-	-	78,204	78,204	(2,777)	75,427
Balance at 31 March 2019	<u>408,100</u>	<u>(361)</u>	<u>30,815</u>	<u>(30,414)</u>	<u>(35,088)</u>	<u>447,164</u>	<u>820,216</u>	<u>(5,560)</u>	<u>814,656</u>

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

SYMPHONY LIFE BERHAD

(Company No. 5572-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2019**

	Period ended 31/3/2019 RM'000	(restated) Period ended 31/3/2018 RM'000
Profit before tax	95,681	54,914
Adjustment for non-cash flow:-		
Depreciation and amortisation	1,896	1,955
Share of results of associates and jointly controlled entities	(93,248)	(66,553)
Fair value adjustments on investment securities	203	1,603
Gain on disposal of investment securities	(2,125)	-
Fair value adjustments on unquoted investment	10	-
Loss on disposal of other investment	69	61
Gain on disposal of property, plant and equipment	(124)	-
Impairment loss on inventories	397	-
Reversal of impairment on land held for development	(3,489)	-
Other non-operating items (which are investing and financing)	(617)	(214)
Operating profit before changes in working capital	<u>(1,347)</u>	<u>(8,234)</u>
Changes in working capital		
Net change in current assets	10,188	(15,369)
Net change in current liabilities	(41,819)	22,139
Land held for property development	2,064	(7,744)
Taxation paid	(11,829)	(3,203)
Net cash flows from operating activities	<u>(42,743)</u>	<u>(12,411)</u>
Investing Activities		
- Property, plant and equipment	(1,327)	(166)
- Investment properties	(44,891)	(47,933)
- Dividends	393	779
- Other investment	7,360	105
- Jointly controlled entities	-	(20,000)
	<u>(38,465)</u>	<u>(67,215)</u>
Financing Activities		
- Bank borrowings	15,014	79,098
- Rights Issue proceeds	98,098	-
- Conversion of Warrant B	2	-
- Purchase of ESTS Shares	(9,644)	-
- Dividends	-	(8,459)
- Equity investment	-	(10)
	<u>103,470</u>	<u>70,629</u>
Net Change in Cash and Cash Equivalents	22,262	(8,997)
Cash and Cash Equivalents at beginning of the period	33,089	42,086
Cash and Cash Equivalents at end of the period	<u>55,351</u>	<u>33,089</u>
Analysis of cash and cash equivalents at end of the financial period:		
Cash and bank balances	26,094	20,468
Deposits with licensed financial institutions	30,958	16,581
	<u>57,052</u>	<u>37,049</u>
Less: Deposits pledged with licensed financial institutions	(94)	(91)
Bank overdrafts	(1,607)	(3,869)
	<u>55,351</u>	<u>33,089</u>

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2018 and the accompanying notes attached to the interim financial statements)

Explanatory Notes

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2018, which have been prepared in accordance with the Financial Reporting Standards (FRS) and the Companies Act 2016.

The financial statements of the Group for the 3 months period ended 30 June 2018 is the first set of interim financial statements prepared in accordance with MFRS framework and MFRS 1: First-time Adoption of Malaysian Financial Standards has been applied. The MFRS Framework is effective for the Group from 1 April 2018 and the date of transition to the MFRS Framework for the purpose of preparation of the MFRS compliant interim financial report is 1 April 2017 for comparison purpose. The details on the effects from adoption of MFRS framework are described in Note A2 below.

A2. Changes in Accounting Policies

The accounting policies and methods of computation by the Group in this interim report are consistent with those adopted in the most recent annual audited financial statements, save for the adoption of MFRS framework for the first time and the adoption of new standards, amendments and interpretation which came into effect from 1 January 2018 as set out below:

Description

MFRS 2: Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)

MFRS 9: Financial Instruments

MFRS 15: Revenue from Contracts with Customers

MFRS 140: Transfers of Investment Property (Amendments to MFRS 140)

Annual Improvements to MFRS Standards 2014 - 2016 Cycle

IC Interpretation 22: Foreign Currency Transactions and Advance Consideration

The adoption of these standards, amendments and interpretation have the following effects on the financial statements:

MFRS 9: Financial Instruments

MFRS 9 introduces new requirements for classification and measurement, impairment and hedge accounting. The key effect of adoption of this standard on the Group would principally be in respect of the assessment of impairment losses of outstanding debts based on an "expected credit loss" model instead of the "incurred loss" model. The Group applied simplified approach and record lifetime expected losses on all trade receivables and there is no material impact from adoption of this standard.

MFRS 15: Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 supersedes the current revenue recognition guidance including MFRS 118: Revenue, MFRS 111: Construction Contracts and the related interpretations. The key effects of adoption of this standard on the property development activities of the Group are as follows:

- i. in respect of sale of properties that do not fall under the scope of FRSIC Consensus 23: Application of MFRS 15: Revenue from Contracts with Customers on Sale of Residential Properties issued by Malaysian Institute of Accountants, the Group has to assess if the property has an alternative use to the Group and whether the sale and purchase arrangement provides the Group an enforceable right to payment for work completed to-date, in determining whether or not the sale of properties should be recognised at a point in time (completion method) or over time (percentage of completion method);
- ii. it requires the identification of separate performance obligations arising from the sale of properties from all ongoing property development projects of the Group, such as the sale of property with furniture and fitting packages, and may result in the acceleration or deferment of revenue recognition relating to these separate performance obligations depending on whether the related goods and/or services are delivered or satisfied. This affects the timing of revenue recognition for the property development activities;

A2. Changes in Accounting Policies (contd.)**MFRS 15: Revenue from Contracts with Customers (contd.)**

- iii. it requires the Group to capitalise the costs incurred in fulfilling a contract with customers. As such, the expenses attributable to securing contracts with customers such as sales commission are capitalised and expensed to cost of sales by way of percentage of completion.
- iv. it views liquidated ascertained damages (LAD) payable when developer fails to deliver vacant possession within the stipulated period as consideration payable to customers and is presented as a reduction of the transaction price. As such the LAD will be accounted for in the revenue over the tenure of the respective property development project instead of being accounted for as a direct charge to expense when obligation arises.

As a result of adoption of MFRS Framework, the following comparatives in the interim financial report have been restated.

i. Impact on condensed consolidated statement of financial position as at 31 March 2018:

	Audited as at 3/31/2018 RM'000	Effect of MFRS 15 RM'000	Restated as at 3/31/2018 RM'000
Condensed consolidated statement of financial position			
Assets			
Investment in jointly controlled entities	117,325	17,768	135,093
Deferred tax assets	11,342	(483)	10,859
Inventories - Property development costs	409,768	(3,057)	406,711
Contract assets	-	83,209	83,209
Other current assets - accrued billings	78,139	(78,139)	-
Equity			
Retained profits	349,662	19,298	368,960

Impact on condensed consolidated statement of comprehensive income for quarter ended 31 March 2018:

	As previously reported 3/31/2018 RM'000	Effect of MFRS 15 RM'000	Restated as at 3/31/2018 RM'000
Revenue	25,006	535	25,541
Cost of sales	(17,881)	(216)	(18,097)
Taxation	(3,471)	(4,235)	(7,706)
Share of results of jointly controlled entities	17,256	4,974	22,230
Net impact on profit or loss attributable to equity holders of the parent	3,805	1,058	4,863

iii. Impact on basic earnings per share for quarter ended 31 March 2018:

	Increase/(Decrease)
Earnings per share attributable to equity holders of the Company:	
- Basic (sen)	<u>0.37</u>

A2. Changes in Accounting Policies (contd.)

iv. Impact on condensed consolidated statement of comprehensive income for the 12 months period ended 31 March 2018:

	As previously reported 3/31/2018 RM'000	Effect of MFRS 15 RM'000	Restated 3/31/2018 RM'000
Revenue	122,956	2,225	125,181
Cost of sales	(93,252)	(1,223)	(94,475)
Taxation	(5,925)	(15,415)	(21,340)
Share of results of jointly controlled entities	50,610	15,943	66,553
Net impact on profit or loss attributable to equity holders of the parent	<u>33,154</u>	<u>1,530</u>	<u>34,684</u>

v. Impact on condensed consolidated statement of cash flows and basic EPS for the 12 months period ended 31 March 2018:

There is no material impact on the consolidated statement of cash flows for the 12 months period ended 31 March 2018.
 The impact on basic EPS is as follow:

	Increase/(Decrease)
Earnings per share attributable to equity holders of the Company:	
- Basic (sen)	<u>0.54</u>

A3. Audit Qualification

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2018 was not qualified.

A4. Seasonality or Cyclical Factors

There were no material seasonal or cyclical factors which affected the results of the operations for the quarter under review.

A5. Changes in estimates

There were no major changes in estimates that had a material effect on the results of the quarter under review.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review save and except as follows:

- i. The Company had completed the Rights Issue exercise on 15 November 2018 with the listing and quotation of 280,280,263 Rights Shares at the issued price of RM0.35 per share and 41,885,858 Additional Warrants B on the Main Market of Bursa Securities.
- ii. Conversion of 1,378 Warrant B at RM1.10 per share on 9 October 2018.

As at 31 March 2019, the total number of shares purchased amounted to 438,329 ordinary shares with an average price of RM0.82 per share. These shares are retained as treasury shares.

A7. Dividends Paid

No dividend was paid during the current financial quarter under review.

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Unaudited interim report for the period ended 31 March 2019

A8. Segmental Reporting

<----- Period ended 31/3/2019 ----->

Business segments	Property Development RM'000	Property Investment RM'000	Quarry & Construction RM'000	Other Operations RM'000	Total RM'000
Revenue	191,375	7,136	118	306	198,935
Less : Eliminations of inter-segment					(54)
Total revenue					<u>198,881</u>
Continuing operations					
Segment results from continuing operations	15,376	2,104	(407)	12,452	29,525
Head office expenses					<u>(16,635)</u>
Operating profit					12,890
Finance costs					(12,300)
Other investing activities results					1,843
Share of results of jointly controlled entities					93,248
Profit before taxation					<u>95,681</u>
Taxation					(20,254)
Profit for the period					<u><u>75,427</u></u>

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

A9. Valuation of property, plant and equipment

There were no valuations done on the Group's property, plant and equipment.

A10. Subsequent Events

There were no material events subsequent from the current quarter ended 31 March 2019 to the date of this announcement.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

A12. Changes in contingent liabilities and contingent assets

As at 31 March 2019, there were no material changes in contingent liabilities since the last annual audited statement of financial position as at 31 March 2018. There were no contingent assets as at 31 March 2019.

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Unaudited Interim report for the period ended 31 March 2019

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS.**B1. Review of Performance**

	Individual quarter ended			Cumulative quarter ended		
	31/3/19	(Restated) 31/3/18	Changes	31/3/19	(Restated) 31/3/18	Changes
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	60,282	25,541	34,741	198,881	125,181	73,700
Gross profit	12,665	7,444	5,221	41,971	30,706	11,265
Share of results of jointly controlled entities	22,275	22,230	45	93,248	66,553	26,695
Profit before tax	26,797	12,015	14,782	95,681	54,914	40,767
Profit after tax	22,120	4,309	17,811	75,427	33,574	41,853
Profit attributable to equity holders of the Company	24,995	4,863	20,132	78,204	34,684	43,520

(a) Performance of Current Quarter Compared to the Preceding Year's Corresponding Quarter

The largest contributor to the earnings of the Group for the period under review and for the next two financial years is from our joint-venture project, Star Residences which is held through our 50% shareholdings in Alpine Return Sdn Bhd. The results are not consolidated into our income statement, but shown as 'share of results of jointly controlled entities'.

The Group achieved a PBT of RM26.797 million compared to RM12.015 million for the preceding year's corresponding quarter, mainly due to better contribution from existing on-going developments and the disposal of a piece of land in Amanjaya, Sungai Petani.

Excluding the results from joint-ventures, the Group achieved revenue of RM60.28 million for the quarter ended 31 March 2019, which is RM34.74 million higher compared to the preceding year's corresponding quarter. The Group also reported a higher gross profit of RM12.66 million, which is RM5.22 million higher compared to the preceding year's corresponding quarter. This is mainly contributed by higher progress of work done for TWY Mont' Kiara and Union Suites @ Bandar Sunway projects as well as higher sales achieved by Union Suites @ Bandar Sunway and sales of completed properties from Tijani Ukay and Elevia Residences. The launching of Phase 2 Industrial land and the disposal of a piece of land in Amanjaya also contributed to the higher revenue and gross profit.

The main contributors to revenue and gross profit for the current quarter were:

- TWY Mont' Kiara (484 units of condominiums in Mont' Kiara);
- Union Suites (626 units of condominium in Bandar Sunway);
- Tijani Ukay (Zero-lot bungalows in Ampang);
- Elevia Residences (Condominium in Taman Tasik Prima, Puchong); and
- Industrial land in Amanjaya, Sungai Petani.

(b) Performance of Current Year-To-Date ("YTD") Compared to the Preceding YTD

The Group achieved a PBT of RM95.681 million for current YTD compared to RM54.914 million for the preceding YTD, mainly due to better contribution from Star Residences.

Excluding the results from joint-ventures, the higher revenue and gross profit recorded during the current YTD compared to preceding YTD is mainly due to better contribution from the existing on-going developments i.e. TWY Mont' Kiara, Union Suites @ Bandar Sunway and the disposal of a piece of land in Amanjaya.

SYMPHONY LIFE BERHAD

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Unaudited Interim report for the period ended 31 March 2019**B2. Material Changes in the Quarterly Results as Compared to the Immediate Preceding Quarter**

	Individual quarter ended		Changes RM'000
	31/3/19 RM'000	31/12/18 RM'000	
Revenue	60,282	74,813	(14,531)
Gross profit	12,665	19,449	(6,784)
Share of results of jointly controlled entities	22,275	19,630	2,645
Profit before tax	26,797	22,744	4,053
Profit after tax	22,120	21,282	838
Profit attributable to equity holders of the Company	24,995	21,549	3,446

The revenue and gross profit for the current quarter is lower than that of the immediate preceding quarter mainly due to lower contribution from Property division due to lower progress of work for on-going projects as compared to the immediate preceding quarter.

B3. Prospects for the financial year ending 31 March 2020

The market environment is expected to remain competitive and challenging in 2019. The Group will continue to take measures to manage cost as well as offering properties that meet current market demand in terms of product and pricing.

The current take up rate of our projects are as follows:

- Star Residences, a RM3.0 billion mixed development in KLCC area comprising 3 residential towers and 5 blocks of signature retail has received good response. The Residential Tower 1 (RT 1) and Residential Tower 2 (RT 2) have achieved sales of 97% and 84% respectively. The signature retail (SR) has also been well received and has achieved sales of 89%. The Residential Tower 3 (RT 3), which was launched in October 2017, is offered as Ascott Residences and Ascott Serviced Apartments and has since had encouraging response from foreign buyers. Star Residences will continue to be the highest contributor to the Group's profit for the current financial year under review.
- TWY Mont' Kiara, with a projected Gross Development Value ("GDV") of RM435 million, is a development which caters to investors and the younger generation of house buyers looking for small-sized condominiums in the exclusive Mont' Kiara enclave. The project received excellent response and has achieved sales of 98%. The Group expects TWY Mont' Kiara to remain as one of the major contributors to the Group's revenue and profit for the current financial year despite facing some construction delays which has since been resolved. The Group had terminated the previous main contractor and appointed a reputable and experienced main contractor to take over the construction of the project to minimise the delays.

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- Tijani Raja Dewa in Kota Bharu offers a combination of terrace and semi-detached houses and a block of condominiums with a GDV of RM185 million in the 1st phase of development. Sales have recently picked up as the development is completed. This project achieved sales of close to 47% as at the end of this quarter compared to 30% as at the last financial year end.
- Union Suites@ Bandar Sunway offers 626 units of mainly small-sized apartments with a GDV of RM479 million. As the project is near to several established universities, colleges and medical centres in the Bandar Sunway area, the project is focused on students' accommodation and investment. The take up rate of this project is 51% of the number of units offered.
- Elenia Residences, Puchong, with a GDV of RM131 million, offers a combination of 128 units of condominium and 34 units of Villas in our Taman Tasik Prima township in Puchong. It has to date achieved sales of 81%.
- Industrial lots in Amanjaya, Sungai Petani with a GDV of RM15 million, offers 29 units of industrial bungalow lots and 14 units of industrial semi-detached lots which were launched in Q2 of FY 2019. It has to date achieved sales of 67%.

Prospects going forward for the Group remain positive with unbilled sales of RM701 million (including our 50% share in Star Residences) as at 31 March 2019.

However, the Group is cautious given the soft property market which is expected to remain subdued in the medium term. We will continue to take measures such as implementing cost efficiencies through organisation and manpower restructuring to manage our costs in this slow business environment.

B4. Profit Forecast/Profit Guarantee

Not applicable

B5. Profit Before Tax

	Individual quarter ended 31/3/19 RM'000	Cumulative quarter ended 31/3/19 RM'000
Profit before tax is arrived at after charging/(crediting):-		
Depreciation and amortisation	494	1,896
Interest income	(1,812)	(5,461)
Dividend income	(78)	(393)
Interest expenses	2,498	12,300
Allowance for doubtful debts	7	7
Allowance for doubtful debts no longer required	(255)	(257)
Bad debts written off	-	-
Impairment loss on inventories	397	397
Inventories written off	-	-
Gain on disposal of property, plant and equipment	(119)	(124)
Property, plant and equipment written off	26	26
(Reversal of impairment)/Impairment on assets	(3,472)	(3,489)
Gain/Loss on foreign exchange	-	-
Gain/Loss on derivatives	-	-
Included in other investing results were :-		
- Gain on disposal of investment securities	-	(2,125)
- Loss on disposal of other investment	-	69
- Fair value adjustment of investment securities	-	203
- Fair value adjustment of unquoted investment	10	10

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B6. Taxation

Taxation comprises the following :-

	Individual quarter ended 31/3/19 RM'000	Cumulative quarter ended 31/3/19 RM'000
Current taxation	6,522	10,794
Current taxation - prior year	504	1,068
Deferred taxation	(7,137)	(13,452)
Share of tax of jointly controlled entities	4,788	21,844
	<u>4,677</u>	<u>20,254</u>

The effective tax rate of the Group for the period under review is lower than the statutory tax rate mainly due to the recognition of deferred tax assets.

B7. Status of Corporate Proposals

All corporate proposals announced are completed as at the date of this announcement.

As at 31 March 2019, the status of utilisation of proceeds raised from the rights issue is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation from completion date
Repayment of borrowings	50,000	(31,300)	18,700	Within 12 months
Property development projects	38,098	(30,762)	7,336	Within 12 months
Working capital	8,750	(8,750)	-	Within 12 months
Estimated expenses in relation to the Corporate Exercise	1,250	(1,154)	96	* Upon completion of the Rights Issue
	<u>98,098</u>	<u>(71,966)</u>	<u>26,132</u>	

* The expenses relating to the rights issue, i.e. professional fees, fees payable to authorities, printing cost and other miscellaneous charges relating to the Corporate Exercises. The surplus of proceeds which has not been used for such expenses has been reallocated for working capital purposes which has been fully utilised.

B8. Group Borrowings and Debt Securities

The Group's borrowings and debt securities as at 31 March 2019 and 31 March 2018 were as follows:

	Type	Weighted average interest rate	As at 31 March 2019		
			Long term RM'000	Short term RM'000	Total RM'000
Secured					
Bank overdrafts	Floating	5.85%	-	1,607	1,607
Revolving credits	Floating	5.22%	84,000	49,500	133,500
Term loans	Floating	5.90%	262,091	74,426	336,517
			<u>346,091</u>	<u>125,533</u>	<u>471,624</u>
As at 31 March 2018					
			Long term RM'000	Short term RM'000	Total RM'000
Secured					
Bank overdrafts	Floating	5.85%	-	3,869	3,869
Revolving credits	Floating	5.25%	119,500	43,800	163,300
Term loans	Floating	5.80%	238,127	53,576	291,703
			<u>357,627</u>	<u>101,245</u>	<u>458,872</u>

All borrowings are denominated in Ringgit Malaysia.

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B9. Off Balance Sheet Financial Instruments

There are no financial instruments with off balance sheet risks as at the date of this report.

B10. Material Litigation

There is no material litigation against the Group pending as at the date of this report, except for the followings:

- (a) **Tijani (Bukit Tunku) Sdn Bhd ("Tijani" or "Respondent")**, a wholly-owned subsidiary of SymLife, had on 20 August 2015 received a Notice of Arbitration served by T.J. Civil & Structural Contractor Sdn Bhd ("Claimant") to seek redress on the disputes arising from a project known as Arata at Bukit Tunku. This includes amongst others, that Tijani and its servants, agents or consultants had failed, neglected and/or refused to grant the Claimant extension of time, thereby causing delay on the part of the Claimant in completing the contracted works.

The Claimant served its Statement of Claim claiming loss and damages for a total sum of RM9.13million.

Tijani defended against the claim and submitted a counterclaim against the Claimant seeking, amongst others, liquidated damages in the sum of RM3.88million and other damages suffered by Tijani in the sum of RM1.1million.

To-date, the arbitration proceeding is still on-going and the next hearing before the arbitrator is scheduled for May and July 2019. Our solicitor is of the opinion that, based on the facts of the case, Tijani has a fair chance of success in the arbitration proceedings.

- (b) **TWY Development Sdn. Bhd. ("TWY" or "Defendant")**, a wholly-owned subsidiary of SymLife had on 23 August 2018 terminated the services of Top International Engineering (Malaysia) Sdn Bhd ("TIE" or "Plaintiff"), the main contractor appointed for a residential development in Mont Kiara known as TWY Mont' Kiara due to the Plaintiff's default and failure to proceed regularly and/or diligently with the contracted works. Following the termination, TWY had on the same date, made a written demand to RHB Bank Berhad to claim for the sum of RM9,093,400 under a performance bond provided by TIE ("Bank Guarantee").

On 27 August 2018, TIE filed an Originating Summons accompanied with a Notice of Application for an ex-parte interim injunction seeking, amongst others:-

- (i) an interim injunction order restraining TWY from receiving proceeds of any demand made under the Bank Guarantee, or in the event that the said proceeds have been received, an order restraining TWY from transferring, utilising or dealing howsoever with the said proceeds, until the final disposal of the action; and
- (ii) an interim injunction to restrain TWY from making any further demand under the Bank Guarantee until the final disposal of the action.

On 28 August 2018, TIE obtained an ex-parte interim injunction from the High Court restraining TWY from receiving payment under the Bank Guarantee pending disposal of the action.

On 7 September 2018, TWY filed a Notice of Application to set aside the ex-parte interim injunction dated 28 August 2018 and sought, amongst others:-

- (i) damages in the form of interest at the rate of 8.00% per annum on the Bank Guarantee sum from the date of the interim injunction until a date to be determined by the High Court; and/or
- (ii) an order for the assessment of damages suffered by TWY resulting from the interim injunction.

The hearing of the Originating Summons, the inter-partes injunction application and the setting aside application was fixed on 22 October 2018 and was subsequently adjourned to 31 October 2018 pending the outcome of a Court assisted mediation of the matter. TWY and TIE had on 16 November 2018, entered into a Consent Order and the salient details of the Consent Order are summarised as follows:

- (i) TIE to pay TWY an upfront cash payment of RM6.0 million within 28 days from the date of the Consent Order, the amount of which shall be accounted for in the Arbitral Award between both parties;
- (ii) The Performance Bond dated 23.8.2016 shall be extended by TIE until 3 months after Arbitral Award between both parties is published and in the event that the Performance Bond cannot be extended, TIE shall provide a new performance bond within 56 days of the Consent Order which shall be valid until 3 months after the Arbitral Award;
- (iii) TIE shall not commence any payment claim and adjudication proceedings under the Construction Industry Payment and Adjudication Act 2012 against TWY;
- (iv) TIE agrees to allow TWY to retain the retention sum of RM4,594,830.71 certified under Payment Certificate No. 23 pending outcome of arbitration proceedings;

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- (v) In respect of the balance payment of RM1,013,754.51 due under Payment Certificate No. 23, TIE authorises and TWY agrees to pay the balance payment by way of direct payments to domestic sub-contractors and suppliers of the project as per Annexure "A";
- (vi) All the disputes between the parties arising from and in connection with the Contract shall be referred to and resolved in the arbitration proceedings;
- (vii) TWY agrees to deposit RM500,000.00 with Messrs Azman Davidson & Co within 28 days after TIE satisfies the terms under the Consent Order and Messrs Azman Davidson & Co shall hold this sum as a stakeholder pending the outcome of the arbitration proceedings;
- (viii) In the event TIE fails to comply with any of the terms in the Consent Order, TWY shall immediately be entitled to demand on the Performance Bond. In addition, if TIE fails to comply with any of the terms in the Consent Order, TWY shall be released and discharged of its obligations under the terms of the Consent Order.

In respect of the proposed arbitration between TWY and TIE, the parties were not able to agree on the appointment of the arbitrator and on 11 January 2019, the parties requested for the Director of the Asian International Arbitration Centre (AIAC) to appoint an arbitrator pursuant to the Arbitration Act 2015. On 25 January 2019, the AIAC notified the parties of the appointment of Mr. Chong Thaw Sing as the arbitrator.

The arbitration hearing has been fixed for April, May and June of 2020.

B11. Dividends Proposed

No interim dividend has been proposed during the quarter under review.

B12. Earnings per share

	Individual quarter ended		Cumulative quarter ended	
	31/3/19	31/3/18	31/3/19	31/3/18
	RM'000	RM'000	RM'000	RM'000
Profit for the period attributable to the ordinary equity holders of the Company	24,995	4,863	78,204	34,684
Weighted average number of ordinary shares excluding treasury shares and shares held by Employees' Share Trust Scheme ('000)	534,718	281,999	376,856	281,999
Basic earnings per share (sen) for :				
Profit for the period	4.67	1.72	20.75	12.30

The diluted earnings per share is not presented as the effect of the assumed conversion of warrants outstanding will be anti-dilutive and the Company has no other dilutive-potential ordinary shares in issue as at end of the reporting period.

ALAN CHAN CHEE MING**SOO YIN KHENG**

Secretaries

Petaling Jaya, Selangor

Date: 31 May 2019