



YNH PROPERTY BHD
(Incorporated in Malaysia)

(561986-V)

Interim Financial Statements
31 March 2023

YNH PROPERTY BHD
(Incorporated in Malaysia)

**Condensed Consolidated Profit or Loss and Other Comprehensive Income
For the Fifteen Months Period Ended 31 March 2023**

	Note	3 months ended		15 months ended	
		31.03.2023 RM	31.03.2022 RM	31.03.2023 RM	31.03.2022 RM
Revenue		34,216,192	N/A	244,961,762	N/A
Cost of sales		(20,084,471)	N/A	(126,173,393)	N/A
Gross profit		14,131,721	N/A	118,788,369	N/A
Other income		22,555,034	N/A	79,330,456	N/A
Administrative expenses		(4,346,608)	N/A	(52,713,792)	N/A
Selling and marketing expenses		(440,937)	N/A	(7,126,588)	N/A
Other operating expenses		(9,378,113)	N/A	(44,078,938)	N/A
		(14,165,658)	N/A	(103,919,318)	N/A
Profit from operations		22,521,097	N/A	94,199,507	N/A
Finance costs	17	(15,555,878)	N/A	(64,587,282)	N/A
Profit before tax		6,965,219	N/A	29,612,225	N/A
Income tax expense	18	(4,754,302)	N/A	(18,084,648)	N/A
Profit for the period		2,210,917	N/A	11,527,577	N/A
Other comprehensive income					
-Foreign currency translation difference		(148)	N/A	(68,645)	N/A
Total comprehensive income for the period		2,210,769	N/A	11,458,932	N/A
Loss per share (sen)					
Basic	25 (a)	(0.24)	N/A	(3.45)	N/A
Diluted	25 (b)	(0.24)	N/A	(3.45)	N/A

The financial year of the Company has been changed from 31 December 2022 to 30 June 2023, and thereafter to the last day of June each year, and accordingly, there are no comparative figures to be presented.

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the financial statements.

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**Condensed Consolidated Statement of Financial Position
As at 31 March 2023**

	Note	As at 31.03.2023 RM	As at 31.12.2021 RM
NON-CURRENT ASSETS			
Property, plant and equipment	8	93,397,511	109,376,353
Right of use		42,638,540	48,888,231
Deferred tax assets		114,371,888	99,094,902
Investment properties		159,111,365	295,711,195
Goodwill on consolidation		17,626,036	17,626,036
Inventories		1,281,041,302	1,167,812,133
		<u>1,708,186,642</u>	<u>1,738,508,850</u>
CURRENT ASSETS			
Inventories		552,040,613	591,368,008
Trade and other receivables	9(a)	78,448,215	96,331,420
Other current assets		11,592,325	4,945,986
Assets held for sales		130,785,669	-
Contract assets		-	1,381,934
Tax recoverable		1,339,438	-
Cash and bank balances		44,785,687	34,149,859
		<u>818,991,947</u>	<u>728,177,207</u>
TOTAL ASSETS		<u>2,527,178,589</u>	<u>2,466,686,057</u>

**Condensed Consolidated Statement of Financial Position as at 31 March 2023
(Contd.)**

	Note	As at 31.03.2023 RM	As at 31.12.2021 RM
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		528,999,579	528,999,579
Perpetual securities		345,915,827	345,915,827
Treasury shares		(970,157)	(970,157)
Other reserves		31,053,248	31,121,893
Retained earnings		300,558,740	324,993,475
Total equity		<u>1,205,557,237</u>	<u>1,230,060,617</u>
Non-Current Liabilities			
Deferred tax liabilities		24,523,161	28,593,064
Lease liabilities		-	2,207,981
Medium term notes	6(b)	323,000,000	-
Long term liabilities	20	291,060,381	265,689,785
		<u>638,583,542</u>	<u>296,490,830</u>
CURRENT LIABILITIES			
Trade and other payables		225,239,978	249,956,619
Contract liabilities		65,098,573	95,794,126
Provisions	22	223,912	277,887
Borrowings	20	316,343,572	536,707,160
Lease liabilities		84,255	2,530,627
Income tax payable		76,047,520	54,868,191
		<u>683,037,810</u>	<u>940,134,610</u>
TOTAL LIABILITIES		<u>1,321,621,352</u>	<u>1,236,625,440</u>
TOTAL EQUITY AND LIABILITIES		<u>2,527,178,589</u>	<u>2,466,686,057</u>
NTA per share (RM)		<u>2.25</u>	<u>2.29</u>
Net asset per share (RM)		<u>2.28</u>	<u>2.33</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the financial statements.

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**Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 March 2023**

	Attributable to Equity Holders of the Company						Total RM
	Share capital RM	Perpetual capital securities RM	Translation Reserve RM	Capital Reserve RM	Distributable Treasury Shares RM	Retained profits RM	
Opening balance at 1 January 2021	528,999,579	345,915,827	4,644,018	26,578,054	(970,157)	327,816,043	1,232,983,364
<u>Comprehensive income</u>							
Profit for the year	-	-	-	-	-	21,251,147	21,251,147
Issued during the year	-	-	-	-	-	-	-
<u>Other comprehensive income</u>							
-Foreign currency translation difference	-	-	(100,179)	-	-	-	(100,179)
-Coupon payment	-	-	-	-	-	(24,073,715)	(24,073,715)
Closing balance at 31 December 2021	528,999,579	345,915,827	4,543,839	26,578,054	(970,157)	324,993,475	1,230,060,617
Opening balance at 1 January 2022	528,999,579	345,915,827	4,543,839	26,578,054	(970,157)	324,993,475	1,230,060,617
<u>Comprehensive income</u>							
Profit for the year	-	-	-	-	-	11,527,577	11,527,577
<u>Other comprehensive income</u>							
Foreign currency translation difference	-	-	(68,645)	-	-	-	(68,645)
Coupon payment	-	-	-	-	-	(35,962,312)	(35,962,312)
Closing balance at 31 March 2023	528,999,579	345,915,827	4,475,194	26,578,054	(970,157)	300,558,740	1,205,557,237

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the financial statements.

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Condensed Consolidated Statement of Cash Flow
For the financial Period Ended 31 March 2023

	15 months ended 31.03.2023 RM	12 months ended 31.12.2021 RM
Profit before taxation	<u>29,612,225</u>	<u>34,662,631</u>
Net cash from operating activities	18,441,968	25,592,809
Net cash used in investing activities	(99,850,835)	(61,243,624)
Net cash from financing activities	<u>102,123,745</u>	<u>25,545,948</u>
Net increase/(decrease) in cash and cash equivalents	20,714,878	(10,104,867)
Cash and cash equivalents at beginning of financial period	(21,497,289)	(11,392,422)
Cash and cash equivalents at end of financial period	<u>(782,411)</u>	<u>(21,497,289)</u>

Cash and cash equivalents at end of financial period comprise the following:

Fixed deposits	527,054	527,054
Less: pledged fixed deposits	(527,054)	(527,054)
	-	-
* Cash and bank balances	44,258,633	33,620,785
Bank overdraft (included within borrowings in Note 20)	(45,041,044)	(55,118,074)
	<u>(782,411)</u>	<u>(21,497,289)</u>

- * Included in cash at banks of the Group are amounts of RM755,659 held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

1. BASIS OF PREPARATION

The quarterly condensed financial report has been prepared in accordance with:

- (i) The requirement of the Malaysian Financial Reporting Standards ("MFRS") Standard 134: Interim Financial Reporting; and
- (ii) Paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and should be read in conjunction with the audited annual financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly condensed financial report. These explanatory notes attached to the quarterly condensed financial report provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2021. The significant accounting policies adopted for the quarterly condensed financial report are consistent with those of the audited financial statements for the financial year ended 31 December 2021.

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2021 was not qualified.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not materially affected by seasonal or cyclical factors.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

The financial year of the Company has been changed from 31 December 2022 to 30 June 2023, and thereafter to the last day of June each year.

There were no unusual items due to their nature, size or incidence affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2023 except as disclosed in Note 10 of the interim financial statements.

5. CHANGES IN ESTIMATES

The Group has not submitted any financial forecast or projections to any authority during the current quarter and prior financial year ended 31 December 2021. There were no changes in estimates that have had a material effect in the current quarter results.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

6. CAPITAL MANAGEMENT, DEBT AND EQUITY SECURITIES

Details of the movement of debt and equity securities during the financial period ended 31 March 2023 are as follows:

(a) Treasury Shares

There is no purchase of treasury shares during the current quarter of the financial period ended 31 March 2023. Total treasury shares repurchased cumulatively as at 31 March 2023 is 512,512 ordinary shares, representing a cumulative 0.10% of the total paid up share capital of the company as at 31 March 2023. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016. There is no repurchase of treasury share subsequent to the interim financial period ended 31 March 2023.

(b) Financing activities

YNH is pleased to announce that the Company has on 28 February 2022 successfully issued the Sukuk Wakalah in aggregate of RM323.0 million in nominal value from its Sukuk Wakalah Programme. The Sukuk Wakalah Programme is structured based on the Shariah principle of Wakalah Bi Al-Istithmar and has been assigned a credit rating of A+ IS by Malaysian Rating Corporation Berhad.

HSBC Amanah Malaysia Berhad (“**HSBC Amanah**”) is the sole Principal Adviser, Lead Arranger and Shariah Adviser for the Sukuk Wakalah Programme, whereas CIMB Investment Bank Berhad and HSBC Amanah are the Joint Lead Managers for the Sukuk Wakalah Programme.

(c) Capital Management

The Group's objectives of managing capital are to safeguard the group's ability to continue in operation as a going concern in order to provide fair returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For capital management purposes, the Group consider shareholders' equity to be the key component in the Group's capital structure. The Group monitors capital based on gearing ratio. The ratio is calculated on total debts divided by total equity. The Group's strategy is to maintain a gearing ratio below 100%.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

6. CAPITAL MANAGEMENT, DEBT AND EQUITY SECURITIES (Contd.)

(c) Capital Management (Contd.)

The gearing ratio as at 31 March 2023, are as follows:

	31.03.2023	31.12.2021
	RM	RM
Total borrowing	930,403,953	802,396,945
Lease liabilities	84,255	4,738,608
Trade and other payables	225,239,978	249,956,619
Net debts	<u>1,155,728,186</u>	<u>1,057,092,172</u>
Equity attributable to the owners of parents	<u>1,205,557,237</u>	<u>1,230,060,617</u>
Gearing ratio	<u>96%</u>	<u>86%</u>

The details of the issuance and repayment of debts and equity instrument in the current quarter ended 31 March 2023 are as follows:

	31.03.2023
	RM
Repayment of revolving credit	(184,388,825)
Proceed from issuance of medium term note	323,000,000
Coupon payment	(35,962,312)
Term loan repayment	(525,118)

7. DIVIDEND PAID

No dividend was paid for the financial period ended 31 March 2023.

8. CARRYING AMOUNT OF REVALUED ASSETS

The valuation of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 31 March 2023.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

9(a) TRADE AND OTHER RECEIVABLES

	As at 31.03.2023	As at 31.12.2021
	RM	RM
Trade receivables	65,988,977	97,517,151
Less: Provision for impairment	(9,160,610)	(11,905,537)
	<hr/>	<hr/>
	56,828,367	85,611,614
Other receivables	21,619,848	10,719,806
	<hr/>	<hr/>
	78,448,215	96,331,420

Trade receivables are generally on credit terms ranging from 14 days to 180 days. Credit terms for the sales of commercial properties range from 14 days to 270 days.

Included in trade receivables are:

- (i) an amount of RM1,010,000 owing by certain directors of the Company
- (ii) an amount of RM 4,958,738 owing by persons related to directors

The amounts owing by directors and persons related to directors are in respect of purchase of properties from the Group and is under normal credit terms granted to customers.

10. STATUS OF CORPORATE PROPOSAL

- (a) The Board of Directors of YNH Property Berhad (“YNH” or “Company”) wishes to announce that the Company proposes to undertake a debt financing exercise via a proposed asset-backed securitisation which will involve, among others, the disposal of the following properties by its wholly-owned subsidiaries (“Properties”) to a special purpose vehicle:
 - (i) a retail shopping mall known as “163 Retail Park” bearing the address No. 8, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Wilayah Persekutuan and erected on the freehold land held under title bearing particulars Geran Mukim 8842, Lot 67384, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL by D’Kiara Place Sdn Bhd; and
 - (ii) a two-storey retail shopping mall known as “AEON Seri Manjung”, bearing the address AEON Seri Manjung Store & Shopping Centre, Pusat Perniagaan Manjung Point 3, 32040 Seri Manjung, Perak Darul Ridzuan and erected on freehold land held under title bearing particulars H.S.(D) 34532, PT 15074, Mukim Lumut, Daerah Manjung, Negeri Perak by YNH Hospitality Sdn Bhd,

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

10. STATUS OF CORPORATE PROPOSAL (contd.)

The total consideration for the Proposed Disposal is intended to be satisfied by the purchaser from proceeds received from its issuance of medium term notes under a proposed asset-backed medium term notes programme of up to RM500.0 million in nominal value ("**Proposed ABS Issue**"). The date of the Extra-ordinary Meeting is set at 1st March 2023.

The Proposed Disposal and Proposed ABS Issue are intended to, amongst others, enable YNH to realise immediate net cash proceeds for use in its group business and operations. The Proposed Disposal is also subject to approvals being obtained from, amongst others, the shareholders of the Company, Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any other relevant authorities (if required).

- (b) The Company has on 16 May 2023, announce that Kar Sin Berhad ("**Vendor**"), a wholly-owned subsidiary of YNH entered into a Sale and Purchase Agreement ("**SPA**") with

Imbuhan Sempurna Sdn. Bhd., the Registered Proprietor;
Great Wall Park Sdn. Bhd., the First Beneficial Owner;
Sunway Living Space Sdn Bhd, the Purchaser

for the proposed disposal of all that freehold vacant land held under the individual title H.S.(D) 47941 P.T. 48632 in the Mukim of Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur measuring approximately 20,630.474 square meters (approximately 5.098 acres) for a total consideration of RM170.00 million only. The disposal agreement also contains an additional consideration in which the Company will receive an additional RM50 million if YNH successfully obtains a New Development Order (NDO) within one year from the date of the SPA. The NDO would include the approval by the relevant authorities for a development with a minimum plot ratio of seven (7) on the net land area.

11. CHANGES IN COMPOSITION OF THE GROUP

There is no change in the composition of the Group since the last financial year until the date of this interim report.

12. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There is no contingent liabilities and contingent assets for the period ended 31 March 2023 and the date of this interim financial report.

13. CAPITAL COMMITMENTS

There is no capital commitment as at 31 March 2023.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

14. PERFORMANCE REVIEW

	3 months ended		changes		15 months ended		changes	
	31.03.2023	31.03.2022	RM	%	31.03.2023	31.03.2022	RM	%
	RM	RM			RM	RM		
Revenue	34,216,192	N/A	N/A	N/A	244,961,762	N/A	N/A	N/A
Profit from operations	22,521,097	N/A	N/A	N/A	94,199,507	N/A	N/A	N/A
Profit before tax	6,965,219	N/A	N/A	N/A	29,612,225	N/A	N/A	N/A
Profit for the period	2,210,917	N/A	N/A	N/A	11,527,577	N/A	N/A	N/A

The Group's cumulative turnover for the current financial period ended 31 March 2023 is recorded at RM244,961,762 and profit before taxation is reported at RM29,612,225. The Group's performance for this year is mainly derived from progressive profit recognition Solasta Dutamas Kuala Lumpur, profit recognition from sales of inventories in Pangsapuri Samudera and K163 Kuala Lumpur, and sales of development land and investment properties.

	Current Quarter RM	Immediate Preceding Quarter RM	Changes	
			RM	%
Revenue	34,216,192	51,583,336	(17,367,144)	-34%
Profit from operations	22,521,097	26,290,594	(3,769,497)	-14%
Profit before tax	6,965,219	12,683,864	(5,718,645)	-45%
Profit for the period	2,210,917	1,358,629	852,288	63%

On a quarter to quarter basis, the current quarter profit after taxation of RM 2,210,917 is higher compared to previous quarter of RM1,358,629. This is due to a higher tax provision is recognised during the previous quarter of the financial year due to certain expenses which are not tax deductible.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

14. PERFORMANCE REVIEW (Contd.)

An analysis of other operating income for the current financial period are as follows:

<u>Other operating income</u>	31.03.2023 RM	31.12.2021 RM
Rental income from properties and machineries	49,243,488	28,713,673
Reversal of impairment losses	2,744,927	3,880,807
Gain on disposal of PPE and investment properties	26,889,493	-
Sales of building material & others	275,850	253,179
Accrual of expenses no longer required	55,583	2,091,592
Others	121,115	1,125,497
	<u>79,330,456</u>	<u>36,064,748</u>

15. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no off balance sheet financial instruments as at the date of this report.

16. COMMENTARY ON PROSPECTS

The local and global economic climate remains challenging due to the uncertainties in construction material prices and labour supply shortage. However, the stimulus package announced by the government, including the re-introduction of house ownership campaign will make home ownership more affordable. As such, the Board is cautiously optimistic that demand for property will be sustainable, given the strategic location and correct pricing of our properties.

The Group has, in the previous year, launched Solasta Dutamas, a high end residential development project, located at Mont Kiara, Kuala Lumpur. The project consist of 1,159 units of tastefully built condominium, with distinctive and opulent design and styling. Solasta Dutamas project has received encouraging response from potential purchasers. Solasta Dutamas project has a gross development value of RM750 million and is expected to contribute positively to the Group for the next three financial years.

Another prestigious project planned for the future by YNH group is the Menara YNH development, located on one of the most exclusive addresses in Kuala Lumpur city center, in the Golden Triangle area where most prestigious 5 star hotels and upmarket office spaces are found. The commercial development sits on a 130,826 sq ft (approximately 3 acres) of land with a wide frontage of 320 feet along Jalan Sultan Ismail. The location of Menara YNH also offers easy accessibility and close proximity to efficient public transport facilities such as the Putra Light Rail Transport and the K.L Monorail station. It is also located within walking distance to all major hotels and shopping centers. This Menara YNH has a GDV of approximately RM2.1 billion. Approved development order had already been obtained for this development, comprising office tower and shopping mall.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

16. COMMENTARY ON PROSPECTS (Contd.)

The Group has intention to keep 50% of the Menara YNH referred above as investment property and it will be used as the Group's future corporate headquarter.

The Group has also entered into a series of joint venture projects for the development of a few pieces of land strategically located near Mont' Kiara, Hartamas, Kuala Lumpur city center, Ipoh city and Seri Manjung town. These developments are at planning stage and have an estimated gross development value of RM1.8 billion and are expected to contribute to the Group's earnings for the next 15 to 20 years.

The Group had successfully completed the construction of AEON Mall Seri Manjung in year 2012 and Pantai Specialist Centre at Seri Manjung in November 2013. The presence of AEON Mall Seri Manjung Shopping Centre and Pantai Specialist Centre will further enhance the value of the balance 700 acres of undeveloped landbanks in the Manjung Point Township.

The Company had also in the 4th quarter of 2008 acquired 95 acres of strategic development land bank in Genting Highlands. The Genting land bank is located strategically next to the Genting Highland Resort and was acquired for RM16.05 million. The advantage of this land bank is that the purchase consideration is very low and it comes with infrastructure. The land has already been converted to building title. The proximity to the existing Genting Highland Resort is an advantage as the proposed development will complement the existing infrastructure. Other plus point for this development is that it is located in a cool environment and yet is 45 minutes from the KL city center as the existing highway is already completed from the KL city center to the existing resort.

The proposed development for this 95 acres land bank comprises commercial, bungalows, condominium, retail and etc. for both local and foreign investors. The estimated gross development value for this future development is RM1.96 billion and expected to contribute to the Group's earnings in the next 20 years.

17. FINANCE COSTS

This is arrived at after charging:

15 months ended
31.03.2023
RM

Revolving credit interest	17,050,734
Term loan interest	20,852,871
Interest on medium term notes	22,993,083
Overdraft interest	3,690,594
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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

18. INCOME TAX EXPENSE

	3 months ended 31.03.2023	3 months ended 31.03.2022	15 months ended 31.03.2023	12 months ended 31.03.2022
	RM	RM	RM	RM
Tax expense for the period:				
Malaysian income tax	15,250,057	N/A	(20,113,704)	N/A
Deferred tax	(20,004,359)	N/A	2,029,056	N/A
	<u>(4,754,302)</u>	<u>N/A</u>	<u>(18,084,648)</u>	<u>N/A</u>

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group is as follow:

	15 months ended 31.03.2023 RM
Profit before tax	<u>29,612,225</u>
Taxation at applicable statutory tax rate	(7,106,934)
Expenses not deductible for tax purposes	(15,937,541)
Income not taxable	6,453,478
Others timing differences	(1,493,651)
Tax expense for the quarter/year	<u>(18,084,648)</u>

19. SALES OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and no other sales of properties for the financial year ended 31 March 2023 except for the sales of development properties in the ordinary course of business.

20. LOAN AND BORROWINGS

	As at 5th quarter ended 31.03.2023					
	Long term		Short term		Total borrowings	
	USD denomination	RM denomination	USD denomination	RM denomination	USD denomination	RM denomination
Secured						
Secured-Finance lease liabilities	-	-	-	-	-	-
Secured-Medium term notes	-	323,000,000	-	-	-	323,000,000
Secured-Term loan	-	291,060,381	-	40,435,878	-	331,496,259
Secured-Bank overdraft and revolving credit	-	-	-	275,907,694	-	275,907,694

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

20. LOAN AND BORROWINGS (Contd.)

	As at 4th quarter ended 31.12.2021					
	Long term		Short term		Total borrowings	
	USD denomination	RM denomination	USD denomination	RM denomination	USD denomination	RM denomination
Secured						
Secured-Finance lease liabilities	-	-	-	-	-	-
Secured-Term loan	-	265,689,785	-	62,038,539	-	327,728,324
Secured-Bank overdraft and revolving credit	-	-	-	474,668,621	-	474,668,621

The weighted average interest of borrowings is 5.47 % and all loan and borrowings are based on floating interest rate.

21. PROFIT FORECAST

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

22. PROVISIONS

	As at 31.03.2023	As at 31.12.2021
	RM	RM
Opening	277,887	479,390
Provision during the period/year	-	120,905
Utilization/ written back during the period/year	(53,975)	(322,408)
Closing	<u>223,912</u>	<u>277,887</u>

The provisions represent amount allocated for defect and liabilities warranty for housebuyers.

23. CHANGES IN MATERIAL LITIGATION

As at the date of this report, the Group is not engaged whether as plaintiff or defendant in any material legal action, proceeding, arbitration or prosecution for any criminal offence, which has a material effect on the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of YNH Property Bhd and its subsidiaries.

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

24. DIVIDEND PAYABLE

No dividend payable for the financial year ended 31 March 2023.

25. EARNING PER SHARE

(a) **Basic**

Basic earning per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months ended 31.03.2023	3 months ended 31.03.2022	15 months ended 31.03.2023	12 months ended 31.03.2022
	RM	RM	RM	RM
Net profit for the period	2,210,917	N/A	11,527,577	N/A
Distribution to holders of perpetual securities	(3,480,551)	N/A	(29,755,274)	N/A
Loss attributable to ordinary equity holders	(1,269,634)	N/A	(18,227,697)	N/A
Weighted average number of ordinary shares in issue	528,999,579	N/A	528,999,579	N/A
Basic loss per share (sen)	(0.24)	N/A	(3.45)	N/A

(b) **Diluted**

There is no dilution effect in calculating earning per shares because there is no Employee Share Scheme in effect during the current financial year. As such, the diluted earning per share is similar with basic earning per shares.

	3 months ended 31.03.2023	3 months ended 31.03.2022	15 months ended 31.03.2023	12 months ended 31.03.2022
	RM	RM	RM	RM
Net profit for the period	2,210,917	N/A	11,527,577	N/A
Distribution to holders of perpetual securities	(3,480,551)	N/A	(29,755,274)	N/A
Loss attributable to ordinary equity holders	(1,269,634)	N/A	(18,227,697)	N/A
Weighted average number of ordinary shares in issue	528,999,579	N/A	528,999,579	N/A
Adjusted weighted number of ordinary shares in issue	528,999,579	N/A	528,999,579	N/A
Diluted loss per share (sen)	(0.24)	N/A	(3.45)	N/A

NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

26. RELATED PARTY TRANSACTION

The Group's related party transactions cumulative period-to-date ended 31 March 2023 are as follows:

Party	Transaction	31.03.2023 RM
Transaction with non-group members	Rental of equipment and transportation payable, purchase of construction material, rental of land and properties and entitlement payable	4,992,148
	Rental of properties and equipment received	1,126,198
Transaction with person connected with Directors	Legal services and disbursement paid (including stamp duty etc.)	2,455,715
	Commission paid	824,409
	Sales of properties	9,455,600
Transaction with Directors	Sales of properties	50,626,667
Transaction with companies related to Directors	Sales of properties	<u>20,530,000</u>

The Group's Directors personal compensation for the period under review are as follows:

Type of compensation	31.03.2023 RM
Salaries and allowances (including employer EPF portion)(Executive directors)	12,818,941
Directors fee & allowances (Independent & non executive directors)	152,830
	<u>12,971,771</u>

27. UPDATE OF MEMORANDUM OF UNDERSTANDING

The Group has on 4 February 2015 entered into a Memorandum of Understanding ("MOU") in relation to a proposed hotel to be branded as " Hilton Kuala Lumpur City Centre & Residences", to be managed by Hilton Worldwide Manage Limited, for its Menara YNH Development in Kuala Lumpur City Centre. No further changes arise from the date of the MOU to the date of this interim report.

YNH PROPERTY BHD
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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

28. SUBSEQUENT EVENT

There is no material subsequent event from the end of the current quarter to the date of the interim financial statements.

29. AUTHORISATION FOR ISSUE

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 30 May 2023.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

30. SEGMENTAL REPORTING

	Property Development & Construction		Hotel & Hospitality		Adjustment & Elimination		Consolidated	
	31.03.2023 RM	31.12.2021 RM	31.03.2023 RM	31.12.2021 RM	31.03.2023 RM	31.12.2021 RM	31.03.2023 RM	31.12.2021 RM
Revenue								
External customers	225,432,918	223,981,879	19,528,844	7,296,030	-	-	244,961,762	231,277,909
Results								
Interest income	173,393	1,167,236	1,186,386	759,176	(1,186,386)	(759,176)	173,393	1,167,236
Dividend income		-		-	-	-	-	-
Depreciation	7,932,432	8,282,093	4,145,676	1,097,253	-	-	12,078,108	9,379,346
Finance cost	63,508,981	33,140,473	1,078,301	722,919	-	-	64,587,282	33,863,392
Profit/(loss) before taxation	21,706,789	29,288,473	7,905,436	5,374,158	-	-	29,612,225	34,662,631
Segment assets	2,347,448,284	2,283,740,815	179,730,305	182,945,242	-	-	2,527,178,589	2,466,686,057
Segment liabilities	1,273,011,339	1,181,914,062	48,610,013	54,711,378	-	-	1,321,621,352	1,236,625,440