

Reference is made to the announcement released by the Company's associate, Magna Prima Berhad ("MPB") on 17 July 2020 of the appointment of the Receiver and Manager ("R&M") over the properties and assets of Magna Ecocity Sdn Bhd, being MPB's subsidiary ("MPB Announcement"). The appointment of the R&M relates to an outstanding loan amount of approximately RM37.79 million owing to a local bank.

The HYB Group has on 23 June 2020 announced that the carrying value of its 30.95% equity interest in MPB is RM149.47 million as at 31 March 2020 measured based on the net asset value of the associate as of 31 March 2020. The MPB announcement is likely to have an impact on the net asset value of MPB as at date hereof to the extent of RM37.79 million.

The Board of Directors of HYB are currently assessing the fair value of the HYB Group's investment in the associate as a result of the MPB Announcement and will release the necessary amended unaudited financial results for the quarter and year ended 31 March 2020 in due course.