

PETALING TIN BERHAD (324-H)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR FINANCIAL YEAR ENDED 31 MARCH 2018
(The figures have not been audited)

	Current quarter ended 31 MAR 2018 RM'000	Preceding year corresponding quarter ended 31 MAR 2017 RM'000	Current year-to-date ended 31 MAR 2018 RM'000	Preceding year-to-date ended 31 MAR 2017 RM'000
Revenue	18,051	790	21,086	21,524
Direct costs	(22,522)	(68)	(23,407)	(6,868)
Gross (loss)/profit	(4,471)	722	(2,321)	14,656
Other income	745	6,034	6,499	9,030
Selling and distribution costs	-	-	-	(896)
Administrative costs	(2,007)	(2,790)	(5,602)	(9,093)
Other costs	(1,186)	(16,029)	(17,908)	(17,331)
Loss from operations	(6,919)	(12,063)	(19,332)	(3,634)
Finance costs	-	-	-	-
Loss before taxation	(6,919)	(12,063)	(19,332)	(3,634)
Taxation	3,013	(463)	2,964	(3,465)
Loss for the year	(3,906)	(12,526)	(16,368)	(7,099)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the financial year	(3,906)	(12,526)	(16,368)	(7,099)
Loss per share attributable to owners of the parent (cent)				
Basic and diluted loss per share	(1.13)	(3.62)	(4.73)	(2.05)

(The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements)

PETALING TIN BERHAD (324-H)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018**

	(Unaudited) As at 31 MAR 2018 RM'000	(Audited) As at 31 MAR 2017 RM'000
ASSETS		
Non- Current Assets		
Property, plant & equipment	82	254
Investment properties	164,373	161,373
Land held for property development	189,474	230,077
Total Non-Current Assets	353,929	391,704
Current Assets		
Accrued billings in respect of property development costs	-	1,129
Trade receivables	9,399	2,871
Other receivables	1,188	1,864
Tax recoverable	-	1
Fixed deposits with licensed banks	1,089	1,057
Cash and bank balances	23,352	28,669
Total Current Assets	35,028	35,591
TOTAL ASSETS	388,957	427,295
EQUITY AND LIABILITIES		
Share capital	390,057	346,103
Reserves	(41,229)	15,650
Treasury shares	(68)	(68)
Total Equity	348,760	361,685
Non- Current Liabilities		
Deferred tax liabilities	29,380	31,918
Total Non-Current Liabilities	29,380	31,918
Current Liabilities		
Trade payables	676	19,282
Other payables	9,936	11,150
Taxation	205	3,260
Total Current Liabilities	10,817	33,692
Total Liabilities	40,197	65,610
TOTAL EQUITY AND LIABILITIES	388,957	427,295
Net assets per share (RM)	1.01	1.05

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements)

PETALING TIN BERHAD (324-H)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018
(The figures have not been audited)**

	← Attributable to owners of the Parent →						→	
	← Non-distributable →					Accumulated Losses		Total Equity
	Share Capital	Treasury Shares	Share Premium	Revaluation Reserves	Other Reserves			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 April 2017	346,103	(68)	43,954	2,970	3,526	(34,800)	361,685	
Transfer between reserves	-	-	-	(2,059)	(3,526)	9,028	3,443	
Transition to no par value **	43,954	-	(43,954)	-	-	-	-	
Net loss for the year	-	-	-	-	-	(16,368)	(16,368)	
At 31 March 2018	390,057	(68)	-	911	-	(42,140)	348,760	
At 1 April 2016	346,103	(68)	43,954	2,970	3,526	(27,701)	368,784	
Net loss for the year	-	-	-	-	-	(7,099)	(7,099)	
At 31 March 2017	346,103	(68)	43,954	2,970	3,526	(34,800)	361,685	

**With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM43,954,998 has been transferred to the share capital account. Pursuant to sub-section 618(3) of the New Act, the Company may exercise its rights to use the credit amount being transferred from share premium within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements)

PETALING TIN BERHAD (324-H)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018
(The figures have not been audited)**

	Current year to date ended 31 Mar 2018 RM'000	Corresponding year to date ended 31 Mar 2017 RM'000
Cash Flows from Operating Activities		
Loss before taxation	(19,332)	(3,634)
Adjustments for:-		
Depreciation of property, plant and equipment	173	331
Fair value adjustment on investment properties	(3,000)	(5,794)
Impairment loss on land held for property development	16,763	-
Impairment loss on receivables	1,108	5,014
Interest income	(593)	(1,219)
Loss on disposal of land held for property development	5,030	-
Loss on disposal of property, plant and equipment	-	42
Provision for/(reversal of) tax penalties and interest	2,023	(1,348)
Reversal of impairment loss on receivables	(2,223)	-
Write off of development expenditure	252	-
Operating profit/(loss) before working capital changes	201	(6,608)
Changes in working capital		
Land held for property development	5,048	(339)
Accrued billings	1,129	-
Receivables	(4,737)	37,449
Payables	(21,842)	9,319
Cash (used in)/generated from operations	(20,201)	39,821
Tax paid	(2,912)	(13,710)
Interest received	593	1,188
Net cash (used in)/generated from operating activities	(22,520)	27,299
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	-	(8)
Proceeds from disposal of land held for property development	17,236	-
Proceeds from disposal of property, plant and equipment	-	9
Net cash generated from investing activities	17,236	1
Cash Flows from Financing Activities		
Withdrawal of fixed deposit pledged	-	50
Increase in fixed deposits pledged with licensed banks	(33)	-
Net cash (used in)/generated from financing activities	(33)	50
Net (decrease)/increase in cash and cash equivalents	(5,317)	27,350
Cash and cash equivalents at the beginning of the financial year	28,669	1,319
Cash and cash equivalents at the end of the financial year	23,352	28,669
Cash and cash equivalents at the end of the financial year comprise:		
Cash and bank balances	10,360	783
Fixed deposits pledged with licensed banks	1,089	1,057
Cash held under housing development accounts	918	631
Short term investment fund	12,074	27,255
	24,441	29,726
Less: Fixed deposits pledged with licensed banks	(1,089)	(1,057)
	23,352	28,669

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements)

Part A - Notes In Compliance with FRS 134

A1. Basis of Preparation

The quarterly consolidated financial statements are unaudited and have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group and are in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly consolidated financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 March 2017. The explanatory notes attached to the quarterly consolidated financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2017.

Adoption of new and amended standards

During the financial period, the Group and the Company have adopted the following amendments to FRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for the current financial year:

Amendments to FRS 107	Disclosure Initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to FRS 12	Disclosures of Interests in Other Entities (Annual Improvements to FRSs 2014-2016 Cycle)

The adoption of above amendments to FRSs did not have any significant impact on the financial statements of the Group and the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following new FRS, new interpretations and amendments to FRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial years beginning on or after
FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to FRS 1	First time Adoption of Financial Reporting Standard (<i>Annual Improvements to FRS Standards 2014-2016 Cycle</i>)	1 January 2018
Amendments to FRS 128	Investment in Associates and Joint Ventures (<i>Annual Improvements to FRS Standards 2014-2016 Cycle</i>)	1 January 2018
Amendments to FRS 2	Classification and Measurement of Share based Payment Transactions	1 January 2018
Amendments to FRS 4	Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts	1 January 2018
Amendments to FRS 140	Transfer of Investment Property	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018

IC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to FRS 10 and FRS 128	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date yet to be determined by the MASB

The initial application of the abovementioned new FRS, new interpretations and amendments to FRSs is not expected to have any significant impact on the financial statements of the Group and of the Company except as mentioned below:

FRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)

FRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of FRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking ‘expected loss’ impairment model and a substantially reformed approach to hedge accounting. FRS 9 when effective will replace FRS 139 Financial Instruments: Recognition and Measurement.

FRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial assets. Investment in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. FRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the ‘hedged ratio’ to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 139.

The adoption of FRS 9 will result in a change in accounting policy. The Group and the Company are currently examining the financial impact of adopting FRS 9.

New Malaysian Financial Reporting Standards (“MFRS Framework”) issued but not yet effective

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual years beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (hereinafter called “Transitioning Entities”).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework and continue to use the existing FRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual years beginning on or after 1 January 2018.

The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the financial year ending 31 March 2019. In presenting their first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

The Group is currently in the process of determining the financial impact arising from the adoption of the MFRS Framework.

A2. Qualification of Financial Statements

The Group’s audited financial statements for the preceding financial year ended 31 March 2017 was not subject to any qualification.

A3. Seasonality or Cyclical Factors

The Group's current quarter and financial year to date performance were not affected nor influenced by seasonal or cyclical factors.

A4. Items of Unusual Nature and Amount

Saved as disclosure in note B9, there were no items affecting the assets, liabilities, equity, net income, or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year to date.

A5. Changes in Estimates

There were no changes in the estimates of amounts reported in the prior financial years that have a material effect in the current quarter and financial year to date.

A6. Issuance and Repayment of Debt and Equity Securities

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial year to date.

A7. Dividends Paid

There were no dividends paid during the current quarter and financial year to date.

A8. Segmental Reporting

Analysis by Business Segment

3 months ended 31 March 2018

	Property Development	Other Operations	Total Before Elimination	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	18,051	-	18,051	-	18,051
Inter-segment revenue	16	-	16	(16)	-
	<u>18,067</u>	<u>-</u>	<u>18,067</u>	<u>(16)</u>	<u>18,051</u>
Results					
Segment loss before taxation	(6,915)	(4)	(6,919)	-	(6,919)
Depreciation	(37)	-	(37)	-	(37)
Interest income	113	-	113	-	113

12 months ended 31 March 2018

	Property Development	Other Operations	Total Before Elimination	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	21,086	-	21,086	-	21,086
Inter-segment revenue	64	-	64	(64)	-
	<u>21,150</u>	<u>-</u>	<u>21,150</u>	<u>(64)</u>	<u>21,086</u>

Results

Segment loss before taxation	(19,324)	(8)	(19,332)	-	(19,332)
Depreciation	(173)	-	(173)	-	(173)
Fair value adjustment on investment properties	3,000	-	3,000	-	3,000
Interest income	593	-	593	-	593

3 months ended 31 March 2017

	Property Development	Other Operations	Total Before Elimination	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	790	-	790	-	790
Inter-segment revenue	16	-	16	(16)	-
	806	-	806	(16)	790

Results

Segment loss before taxation	(12,063)	-	(12,063)	-	(12,063)
Depreciation	(176)	-	(176)	-	(176)
Interest income	201	-	201	-	201

12 months ended 31 March 2017

	Property Development	Other Operations	Total Before Elimination	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	21,524	-	21,524	-	21,524
Inter-segment revenue	32	-	32	(32)	-
	21,556	-	21,556	(32)	21,524

Results

Segment loss before taxation	(3,613)	(21)	(3,634)	-	(3,634)
Depreciation	(331)	-	(331)	-	(331)
Interest income	1,219	-	1,219	-	1,219

Other Operations consist of investment holding, provision of management services and others.

The geographical analysis is not presented as the Group's operations are based in Malaysia.

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment have been brought forward without amendment from the last audited financial statements for the year ended 31 March 2017.

A10. Material Subsequent Events

There were no material subsequent events occurred between 1 April 2018 and 22 May 2018 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report) that have not been reflected in this interim financial report.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date.

A12. Changes in Contingent Assets and Contingent Liabilities

There were no material changes in contingent assets and contingent liabilities that had arisen since the financial year ended 31 March 2017.

A13. Capital Commitments

There were no material capital commitments for the purchase of property, plant and equipment not provided for in this interim financial report.

Part B – Notes in compliance with Bursa Securities Main Market Listing Requirements

B1. Review of Performance of the Company and its Principal Subsidiaries

3 months ended 31 March 2018

The Group registered revenues of RM18.05 million for the 3 months ended 31 March 2018 from RM0.79 million a year ago. Revenues were derived mainly from rental income of its investment properties and non-recurring sales of land held for property development for the current period while revenues for the corresponding period were derived mainly from rental income only.

Current quarter saw the Group recording a loss on disposal of land held for property development amounting to RM5.03 million. Nevertheless, the Group registered a lower loss after taxation of RM3.91 million as compared to RM12.53 million loss a year earlier. Lower loss for the current quarter was attributed mainly to lower impairment loss on receivables by RM3.91 million, reversal of provision for deferred taxation of RM2.97 million and the absence of one-off costs such as land premium expense of RM10.92 million which was incurred in the previous corresponding period.

12 months ended 31 March 2018

The Group registered revenues of RM21.09 million for the 12 months ended 31 March 2018 from RM21.52 million a year ago, a slight drop of RM438,000. Revenues were derived mainly from the sales of land held for property development and rental income.

On profitability, the Group registered a loss after taxation of RM16.37 million for the current 12 months ended 31 March 2018 from RM7.10 million loss a year earlier, an increase of RM9.27 million, largely on impairment loss on land held for property development amounting to RM16.76 million, provision for tax penalties and interest amounting to RM2.02 million and a loss on disposal of land held for property development amounting to RM5.03 million. This was mitigated by a gain in fair value adjustment on investment properties amounting to RM3.00 million, a net reversal of impairment loss on receivables amounting to RM1.11 million, and reversals of provision for land premium and provision for deferred taxation amounting to RM2.40 million and RM2.82 million, respectively.

B2. Material Changes in the Current Quarter Result Compared to the Results of the Preceding Reporting Quarter

	Current Quarter 31 March 2018 RM'000	Immediate Preceding Quarter 31 December 2017 RM'000	Changes RM'000
Revenue	18,051	1,439	16,612
Gross (loss)/ profit	(4,471)	1,293	(5,764)
Loss before taxation	(6,919)	(6,445)	(474)
Taxation	3,013	8	3,005
Loss after taxation	<u>(3,906)</u>	<u>(6,437)</u>	<u>2,531</u>

The increase in revenue for the current quarter was due largely to the proceeds from sales of land held for property development amounting to RM17.23 million.

Loss after taxation for the current quarter was lower by RM2.53 million when compared to the immediate preceding quarter. This was attributed largely to the RM10.95 million impairment loss on land held for property development incurred in the preceding quarter offset by a loss on disposal of land held for property development of RM5.03 million recognized in the current quarter.

B3. Prospects

On the prospects for the next financial year ending 31 March 2019, the board of directors is of the opinion that the business outlook for the property market sector remains challenging. The future performance of the Group's property development hinges on the recovery of the property market and the Group's ability to compete with its competitors in launching, selling and completing its development projects.

B4. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee.

B5. Taxation

The taxation charges for the current quarter and financial year-to-date ended 31 March 2018 are as follows:

	3 months ended		12 months ended	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
	RM'000	RM'000	RM'000	RM'000
Current Tax				
Malaysian tax				
- Current taxation	(22)	67	33	3,063
- Under/(Over)provision in prior year	(19)	2	(175)	8
	(41)	69	(142)	3,071
Deferred Tax				
Tax effect on fair value changes of investment properties	-	394	150	394
Relating to origination and reversal of temporary differences	(2,972)	-	(2,972)	-
	(2,972)	394	(2,822)	394
	(3,013)	463	(2,964)	3,465

The effective tax rate of the Group for the financial year-to-date ended 31 March 2018 was lower than the statutory tax rate mainly due to the reversal of provision for deferred taxation and the over provision in prior year offset by taxable profits in certain subsidiaries.

B6. Status of Corporate Proposals Announced But Not Completed as at 22 May 2018 (being the latest practicable date which is not earlier than 7 days from the date of issue of this Quarterly Report)

There were no corporate proposals announced but not completed.

B7. Bank Borrowings and Debt Securities

There were no bank borrowings or debts securities as at 31 Mar 2018.

B8. Dividend

There was no dividend proposed or declared for the current quarter and financial year to date.

B9. Loss before taxation

	3 month ended		12 months ended	
	31 Mar 2018	31 Mar 2017	31 Mar 2018	31 Mar 2017
	RM'000	RM'000	RM'000	RM'000
Loss before taxation is arrived at after charging / (crediting):-				
Depreciation of property, plant and equipment	37	176	173	331
Fair value adjustment on investment properties	-	(5,794)	(3,000)	(5,794)
Impairment loss on land held for property development	-	-	16,763	-
Impairment loss on receivables	1,108	5,014	1,108	5,014
Interest income	(113)	(201)	(593)	(1,219)
Loss on disposal of property, plant and equipment	-	-	-	42
Loss on disposal of land held for property development	5,030	-	5,030	-
Provision for/ (reversal of) tax penalties and interest	2	(12)	2,023	(1,348)
Rental of office equipment	5	7	11	12
Rental of premises	-	-	-	6
Rental income	(3)	(7)	(14)	(30)
Reversal of impairment loss on receivables	(593)	-	(2,223)	-
Write off of development expenditure	-	-	252	-

B10. Loss Per Share

The calculation of basic loss per share for the current quarter and financial year-to-date is based on the loss after taxation for the current quarter and financial year-to-date respectively, divided by 345,830,979 ordinary shares, being the weighted average ordinary shares in issue excluding the weighted average treasury shares held by the Company.

B11. Outstanding Derivatives

There are no outstanding derivatives (including instruments designated as hedging instruments) as at 31 March 2018.

B12. Fair Value Changes of Financial Liabilities

The Group does not have any material financial liabilities measured at fair value through profit or loss as at 31 March 2018.

B13. Material Litigations

There were no material litigations as at 22 May 2018 (being the latest practical date which is not more than 7 days from the date of this quarterly report).

By order of the Board

Yew Nyuk Kwei (MACS 01247)
Company Secretary

Petaling Jaya, Selangor
28 May 2018