

**TALAM TRANSFORM BERHAD (1120 - H)**  
**Financial Report for the financial period ended 30 April 2015**  
*(The figures have not been audited)*

**Schedule A : Condensed Consolidated Statement of Comprehensive Income**  
**For the financial period ended 30 April 2015**

	Individual period		Cumulative period	
	Current year quarter 30/04/2015	Preceding year quarter 30/04/2014	Current year quarter 30/04/2015	Preceding year quarter 30/04/2014
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>				
<b>Revenue</b>	109,843	79,471	109,843	79,471
Cost of sales	(44,866)	(80,007)	(44,866)	(80,007)
<b>Gross profit/(loss)</b>	64,977	(536)	64,977	(536)
Other operating income (Schedule A Note 1)	17,771	3,255	17,771	3,255
Administrative expenses (Schedule A Note 2)	(4,896)	(12,561)	(4,896)	(12,561)
Other expenses (Schedule A Note 3)	(74,936)	(525)	(74,936)	(525)
<b>Result from operating activities</b>	2,916	(10,367)	2,916	(10,367)
Finance income	743	1,962	743	1,962
Finance costs	(6,118)	(8,106)	(6,118)	(8,106)
<b>Profit/(Loss) before tax and share of results</b>	(2,458)	(16,511)	(2,458)	(16,511)
Share of results in jointly controlled entities and associate companies	(38)	(196)	(38)	(196)
<b>Profit/(Loss) before tax</b>	(2,497)	(16,707)	(2,497)	(16,707)
Income tax	698	231	698	231
<b>Profit/(Loss) from continuing operations, net of tax</b>	(1,799)	(16,476)	(1,799)	(16,476)
Loss from discontinuing operations, net of tax (Schedule E Note 8)	(1,255)	(3,441)	(1,255)	(3,441)
<b>Profit/(Loss) for the period</b>	(3,054)	(19,917)	(3,054)	(19,917)

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**Financial Report for the financial period ended 30 April 2015**  
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**Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)**  
**For the financial period ended 30 April 2015**

	Individual period		Cumulative period	
	Current year quarter 30/04/2015 RM'000	Preceding Year quarter 30/04/2014 RM'000	Current year to-date 30/04/2015 RM'000	Preceding Year to-date 30/04/2014 RM'000
<b>Other comprehensive income</b>				
Exchange difference on translation of foreign entity	131	(4,671)	131	(4,671)
<b>Total comprehensive profit/(loss) for the period</b>	<b>(2,923)</b>	<b>(24,588)</b>	<b>(2,923)</b>	<b>(24,588)</b>
Profit/(Loss) for the period attributable to:				
Owners of the Company				
- continuing operations	(4,160)	(16,474)	(4,160)	(16,474)
- discontinuing operations	(1,067)	(2,925)	(1,067)	(2,925)
	(3,093)	(19,399)	(3,093)	(19,399)
Non-controlling Interests	39	(518)	39	(518)
	(3,054)	(19,917)	(3,054)	(19,917)
Total comprehensive profit/(loss) for the period attributable to:				
Owners of the Company				
- continuing operations	(2,026)	(16,475)	(2,026)	(16,475)
- discontinuing operations	(955)	(6,895)	(955)	(6,895)
	(2,981)	(23,370)	(2,981)	(23,370)
Non-controlling Interests	58	(1,218)	58	(1,218)
	(2,923)	(24,588)	(2,923)	(24,588)
<b>Earnings per share from continuing operations attributable to owners of parent (in sen)</b>				
<b>Earnings per share ("EPS") (in sen)</b>				
Basic	(0.09)	(0.39)	(0.09)	(0.39)
Diluted	(0.09)	(0.39)	(0.09)	(0.39)
<b>Earnings per share from discontinuing operations attributable to owners of parent (in sen)</b>				
Basic	(0.03)	(0.08)	(0.03)	(0.08)
Diluted	(0.03)	(0.08)	(0.03)	(0.08)

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**Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)**  
**For the financial period ended 30 April 2015**

	Individual period		Cumulative period	
	Current year quarter 30/04/2015	Preceding Year quarter 30/04/2014	Current year to-date 30/04/2015	Preceding Year to-date 30/04/2014
	RM'000	RM'000	RM'000	RM'000
<b>NOTE :</b>				
<b>1) Included in the Other Operating Income:</b>				
Gain on assignment of debt	17,175	-	17,175	-
Gains on early conversion and redemption of convertible securities	-	2,250	-	2,250
Rental income	30	296	30	296
Write back of provision for liquidated and ascertained damages	129	-	129	-
<b>2) Included in the Administrative</b>				
Provision for liquidated and ascertained damages	(464)	(635)	(464)	(635)
Compensation paid for termination of development project	-	(8,708)	-	(8,708)
<b>3) Included in the Other expenses</b>				
Depreciation	(241)	(43)	(241)	(43)
Property, plant and equipment written off	-	(8)	-	(8)
Provision for loss on disposal of development properties	(73,962)	-	(73,962)	-

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the interim financial report.

**TALAM TRANSFORM BERHAD** (1120 – H)  
**Financial Report for the financial period ended 30 April 2015**  
*(The figures have not been audited)*

**Schedule B : Condensed Consolidated Statement of Financial Position**  
**As at 30 April 2015**

	<b>Unaudited</b>	<b>Audited</b>
	<b>as at</b>	<b>as at</b>
	<b>30/04/2015</b>	<b>31/1/2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,200	1,265
Land held for property development	496,343	496,232
Investment properties	70,869	70,871
Interest in joint ventures	8,282	8,512
Interest in associates	25,348	8,180
Other investment	476	476
Long term receivables	16,160	33,532
<b>Total non-current assets</b>	<b>618,678</b>	<b>619,068</b>
<b>Current assets</b>		
Property development costs	163,719	237,367
Inventories	65,454	66,828
Trade and other receivables	170,389	162,065
Amount owing by associates	20,022	20,021
Amount owing by jointly controlled entities	135,948	135,348
Sinking funds held by trustees	-	2
Cash and bank balances	30,551	29,590
	586,084	651,221
Assets held for sale	192,384	236,070
<b>Total current assets</b>	<b>778,467</b>	<b>887,291</b>
<b>TOTAL ASSETS</b>	<b>1,397,145</b>	<b>1,506,359</b>

**TALAM TRANSFORM BERHAD (1120 – H)**  
**Financial Report for the financial period ended 30 April 2015**  
*(The figures have not been audited)*

**Schedule B : Condensed Consolidated Statement of Financial Position (Cont'd)**  
**As at 30 April 2015**

	<b>Unaudited as at 30/04/2015 RM'000</b>	<b>Audited as at 31/1/2015 RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	844,056	844,056
Treasury shares	(493)	(493)
Reserves	(383,847)	(380,866)
Equity attributable to owners of the Company	459,716	462,697
<b>Non-controlling interests</b>	<b>(5,025)</b>	<b>(5,083)</b>
<b>Total equity</b>	<b>454,691</b>	<b>457,614</b>
<b>Non-current liabilities</b>		
Borrowings	87,632	121,945
Other long term payables	146,306	145,047
Tax liabilities	58,354	59,719
Deferred tax liabilities	926	926
Total non-current liabilities	293,218	327,637
<b>Current liabilities</b>		
Provision for liability	24,017	24,092
Borrowings	101,496	101,495
Trade and other payables	347,190	416,478
Amount owing to joint ventures	33,564	33,564
Current tax liabilities	84,346	87,186
	590,613	662,815
Liabilities directly associated with assets classified as held for sale	58,623	58,293
Total current liabilities	649,236	721,108
<b>Total liabilities</b>	<b>942,454</b>	<b>1,048,745</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,397,145</b>	<b>1,506,359</b>
Net assets per share attributable to Owners of the Company (RM)	0.11	0.11

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the interim financial report.

**TALAM TRANSFORM BERHAD (1120 – H)**  
**Financial Report for the financial period ended 30 April 2015**  
*(The figures have not been audited)*

**Schedule C : Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 30 April 2015**

	<b>Current year ended 30/04/2015 RM'000</b>	<b>Preceding year ended 30/04/2014 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax from continuing operations	(2,497)	(16,707)
Loss before tax from discontinued operation	(1,255)	(3,441)
Adjustments for:		
Interest expenses:-		
- borrowings	2,313	10,658
- convertible securities	-	925
Depreciation:		
- property, plant and equipment	238	1,531
- investment properties	3	477
Property, plant and equipment written off	-	8
Finance liabilities at amortised costs	3,649	2,611
Finance assets at amortised costs	(629)	(1,870)
Provision for loss on disposal of development properties	73,962	-
Gains on early conversion and redemption of convertible securities	-	(2,250)
Additional provision for liquidated and ascertained damages	-	635
Interest income	(114)	(92)
Share of results of joint ventures and associates	36	196
Operating profit/(loss) before working capital changes	<u>75,706</u>	<u>(7,319)</u>
Changes in working capital:		
Property development costs	(428)	(3,023)
Asset held for sale	44,017	1,493
Inventories	1,451	87
Receivables	9,799	41,680
Payables	(71,723)	(73,158)
Operating profit after working capital changes	<u>58,822</u>	<u>(40,240)</u>
Interest received	114	92
Income tax paid	(3,707)	(1,550)
Interest paid	(2,313)	(10,658)
Payment for liquidated and ascertained damages	-	(1,313)
Net Cash Utilised In Operating Activities	<u>52,916</u>	<u>(53,669)</u>

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**Schedule C : Condensed Consolidated Statement of Cash Flows**  
**For the financial period ended 30 April 2015**

	<b>Current year to-date 30/04/2015 RM'000</b>	<b>Preceding year to-date 30/04/2014 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net change in associates balances	-	16
Net proceeds from disposal of:		
- land held for property development		76,051
Dividends received	200	
Net change in joint ventures balances	(599)	166
Additional of investment in associate	(17,174)	
Purchase of property, plant and equipment		(171)
Net Cash Generated From Investing Activities	<u>(17,573)</u>	<u>76,062</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(34,312)	(26,382)
Net changes in sinking funds held by trustees	2	
Net Cash Utilised In Financing Activities	<u>(34,310)</u>	<u>(26,382)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	1,033	(3,989)
<b>EFFECTS OF EXCHANGE DIFFERENCES</b>	(71)	(8)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR</b>	29,493	24,165
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD</b>	<u>30,455</u>	<u>20,168</u>
<b>Cash in hand and bank balances</b>	<b>23,254</b>	<b>14,219</b>
<b>Deposits with licensed banks</b>	<b>7,297</b>	<b>6,045</b>
	<b>30,551</b>	<b>20,264</b>
<b>Balances pledged as securities to licensed banks - HDA</b>	<b>(96)</b>	<b>(96)</b>
	<b>30,455</b>	<b>20,168</b>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the interim financial report.

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**Schedule D : Condensed Consolidated Statement of Changes in Equity**  
**For the financial period ended 30 April 2015**

	Attributable to owners of the Company								Non-Controlling Interests	Total Equity
	Non - Distributable							Total		
	Share Capital	Share Premium	Treasury Shares	Convertible Securities	Capital Reserves	Assets Held for Sale	Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 February 2015</b>	844,056	12,030	(493)	-	7,131	40,593	(440,620)	462,697	(5,083)	457,614
Total comprehensive loss for the financial year	-	-	-	-	111	-	(3,093)	(2,981)	58	(2,923)
<b>At 30 April 2015</b>	<b>844,056</b>	<b>12,030</b>	<b>(493)</b>	<b>-</b>	<b>7,242</b>	<b>40,593</b>	<b>(443,713)</b>	<b>459,716</b>	<b>(5,025)</b>	<b>454,691</b>
<b>At 1 February 2014</b>	816,197	-	(493)	16,797	44,443	-	(305,157)	571,787	3,893	575,680
Convertible securities converted/redeemed during the financial year	27,859	12,030	-	(16,797)	-	-	2,292	25,384	-	25,384
Total comprehensive income/(loss) for the financial year	-	-	-	-	3,281	-	(138,193)	(134,912)	(8,538)	(143,450)
Reclassification of disposal to assets held for sale	-	-	-	-	(40,593)	40,593	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	438	438	(438)	-*
<b>At 31 January 2015</b>	<b>844,056</b>	<b>12,030</b>	<b>(493)</b>	<b>-</b>	<b>7,131</b>	<b>40,593</b>	<b>(440,620)</b>	<b>462,697</b>	<b>(5,083)</b>	<b>457,614</b>

\* Represent amount less than RM1,000/-

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2015 and the accompanying explanatory notes attached to the interim financial report.



**TALAM TRANSFORM BERHAD (1120 – H)**  
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**Schedule E : Significant Events and Transactions Pursuant to FRS 134**

**1. Basis of Preparation**

The unaudited quarterly report has been prepared in accordance with the reporting requirements as set out in Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 January 2015 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

The significant accounting policies and methods adopted for the unaudited condensed financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 January 2015 except for the following revised FRSs, amendment/improvement to FRSs, new IC Int and amendments to IC Int which have been adopted during the financial period.

**2. Changes in Accounting Policies**

**Amendments/Improvement to FRSs**

MFRS 1	First-time Adoption of Financial Reporting Standards
MFRS 2	Share-based Payment
MFRS 3	Business Combinations
MFRS 8	Operating Segments
MFRS 13	Fair Value Measurement
MFRS 116	Property, Plant and Equipment
MFRS 119	Employee Benefits
MFRS 124	Related Party Disclosures
MFRS 138	Intangible Assets
MFRS 140	Investment Property

The Group has not early adopted the following standards that have been issued by the Malaysian Accounting Standards Board as there are not yet effective for the Group:-

		<b>Effective for the financial period beginning on or after</b>
<b><u>New MFRSs</u></b>		
MFRS 9	Financial Instruments	1 January 2018
MFRS 14	Regulatory Deferral Accounts	1 January 2016
<b><u>Amendments/Improvements to MFRSs</u></b>		
MFRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
MFRS 7	Financial Instruments: Disclosures	1 January 2016
MFRS 10	Consolidated Financial Statements	1 January 2016
MFRS 11	Joint Arrangements	1 January 2016
MFRS 12	Disclosure of Interest in Other Entities	1 January 2016
MFRS 101	Presentation of Financial Statement	1 January 2016
MFRS 116	Property, Plant and Equipment	1 January 2016
MFRS 119	Employee Benefits	1 January 2016
MFRS 127	Separate Financial Statements	1 January 2016
MFRS 128	Investments in Associates and Joint Ventures	1 January 2016
MFRS 134	Interim Financial Reporting	1 January 2016
MFRS 138	Intangible Assets	1 January 2016

**Schedule E : Significant Events and Transactions Pursuant to FRS 134**

**2. Changes in Accounting Policies (Cont'd)**

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1 January 2012, the MASB had on 19 November 2011 issue a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in the annual periods beginning on or after 1 January 2012, with exception of entities that are within the scope of MFRS 141 "Agriculture" and/or IC Interpretation 15 "Agreement for Construction of Real Estate", including their parent, significant investor and venturer (herein called "Transitioning Entities").

Based on the MASB announcement on 2 September 2014, the adoption of the amendments to MFRS 116 and MFRS 141 "Agriculture: Bearer Plants" will be mandatory for annual periods beginning on or after 1 January 2016, whereas the adoption of MFRS 15 "Revenue from Contract with Customers" will be mandatory for annual periods beginning on or after 1 January 2017.

Accordingly, the Group and the Company which are Transitioning Entities, have chosen to defer the adoption of the MFRSs framework to financial year beginning on 1 February 2017. The Group and the Company will prepare its first MFRSs financial statements using the MFRSs framework for the financial year ending 31 January 2018.

**3. Seasonality or Cyclicity of Operations**

The business operations of the Group were not affected by any material seasonal or cyclical factor.

**4. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items that have material effects on the assets, liabilities, equity, net income, or cash flows for the current year quarter.

**5. Changes in Estimates**

There were no significant changes to estimates that have a material effect on the results of the Group for the current quarter.

**6. Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities in the current year quarter and current year-to-date.

**7. Dividend**

No dividend has been paid since the beginning of the current quarter.

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**Schedule E : Significant Events and Transactions Pursuant to FRS 134 (Cont'd)**

**8. Discontinuing operation and disposal classified as held for sale**

On 4 April 2014, the Company announced the disposal of one of its subsidiaries, Jilin Province Maxcourt Hotel Limited (“JPMHL”), which is reported in the hotel and recreation segment.

In the current year quarter, the assets and liabilities related to JPMHL have been presented in the statement of financial position as “Assets held for sale” and “Liabilities directly associated with assets classified as held for sale”

Statement of financial position disclosures

The major classes of assets and liabilities of JPMHL classified as held for sale as at 30 April 2015 are as below :

	<b>Current year</b>	
	<b>Quarter</b>	<b>Year ended</b>
	<b>30 April</b>	<b>31 January</b>
	<b>2015</b>	<b>2015</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets:</b>		
Property, plant and equipment	117,300	116,477
Inventories	1,550	1,545
Trade and other receivables	1,671	2,163
Cash and bank balance	402	1,351
	<b>120,923</b>	<b>121,536</b>
Assets held for sale		
<b>Liabilities:</b>		
Short term borrowing	31,943	32,264
Trade and other payables	26,680	26,029
	<b>58,623</b>	<b>58,293</b>
Liabilities directly associated with assets classified as held for sale		

Other than the assets held for sale related to this discontinuing operation, the consolidated statement of financial position also included other non-current assets classified as held for sale amounting to RM 71.46 million.

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**Schedule E : Significant Events and Transactions Pursuant to FRS 134 (Cont'd)**

**8. Discontinuing operation and disposal classified as held for sale (Cont'd)**

Statement of comprehensive income disclosure

The result of JPMHL for the current year are as follows :

	Individual period		Cumulative period	
	Current quarter to-date	Preceding quarter to-date	Current quarter to-date	Preceding quarter to-date
	30/04/2015	30/04/2014	30/04/2015	30/04/2014
	RM'000	RM'000	RM'000	RM'000
Revenue	1,428	2,449	1,428	2,449
Expenses	(1,791)	(5,024)	(1,791)	(5,024)
Loss from operations	(363)	(2,575)	(363)	(2,575)
Finance costs	(892)	(866)	(892)	(866)
Loss before tax from discontinuing operation	(1,255)	(3,441)	(1,255)	(3,441)
Taxation	-	-	-	-
Loss from discontinuing operation	(1,255)	(3,441)	(1,255)	(3,441)
Translation reserve	131	(4,671)	131	(4,671)
Total comprehensive loss from discontinuing operation	(1,124)	(8,112)	(1,124)	(8,112)

Statement of cash flows disclosures

The cash flows attributable to JPMHL are as follows :

	Individual period		Cumulative period	
	Current quarter to-date	Preceding quarter to-date	Current quarter to-date	Preceding quarter to-date
	30/04/2015	30/04/2014	30/04/2015	30/04/2014
	RM'000	RM'000	RM'000	RM'000
Cash flow generated from/use in:				
Operating activities	487	1,745	487	1,745
Investing activities	-	-	-	-
Financing activities	(1,436)	(1,594)	(1,436)	(1,594)
Net cash inflow/(outflow)	(949)	151	(949)	151

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*(The figures have not been audited)*

**Schedule E : Significant Events and Transactions Pursuant to FRS 134 (Cont'd)**

**9. Segment Information**

The segment analysis for the Group for the quarter and year-to-date, as follow:-

	Quarter		Year	
	ended 31 January 2015	2014	ended 31 January 2015	2014
<u>Revenue</u>	RM'000	RM'000	RM'000	RM'000
Property Development and Investment	109,843	79,471	109,843	79,471
Hotel and Recreation (Discontinuing)	1,428	2,449	1,428	2,449
	<u>111,271</u>	<u>81,920</u>	<u>111,271</u>	<u>81,920</u>
 <u>Profit/(Loss) before tax</u>				
Property Development and Investment	(2,497)	(16,707)	(2,497)	(16,707)
Hotel and Recreation (Discontinuing)	(1,255)	(3,441)	(1,255)	(3,441)
	<u>(3,752)</u>	<u>(20,148)</u>	<u>(3,752)</u>	<u>(20,148)</u>

**10. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current year quarter except that Zillion Development Sdn Bhd, a wholly-owned subsidiary of the Group had on 24 March 2015 enter into a sale and purchase agreements to acquire a total of 2,000,000 ordinary shares of RM1.00 each representing 25% of the issued and paid-up share capital of Oasis Sdn. Bhd. ("OSB") for a total consideration of RM17,174,922.00 only ("Acquisition"). With the Acquisition, OSB became an associate company of the Group.

**11. Contingent Liabilities**

	<u>RM'000</u>
(a) Corporate guarantees given to financial institutions for credit facilities granted to associated company	3,500
(b) Assets pledged to financial institutions for credit facilities granted to Kumpulan Europlus Berhad group (The Group owes Kumpulan Europlus Berhad group RM22.94 million as at 30 April 2015)	5,534
	<u>9,034</u>

**12. Events After the Reporting Period**

There was no material event subsequent to current year quarter.

**13. Contingent Assets**

As at the date of this report, the Group does not have any contingent assets.

**Schedule F : Additional Disclosures Pursuant to Appendix 9B of the Listing requirements of Bursa Malaysia Securities Berhad**

**1. Review of Performance**

**(a) Overall Results Commentary:**

For the current quarter

The Group recorded revenues of RM109.84 million, a 38.22% increase from the RM79.47 million generated during last year's corresponding quarter. The increase is mainly due to higher proceeds from sale of development lands.

Group pre-tax loss was RM2.50 million compared to a pre-tax loss of RM16.71 million for the same quarter last year. The Group's performance was contributed by higher gains on disposal of some development lands and stocks, higher other operating income and lower finance cost but largely affected by a provision for loss on disposal of some other development lands.

**(b) Segmental Results Commentary:**

**(i) Property Development and Investment Division**

For the current quarter

The Division recorded revenues of RM109.84 million, a year-on-year increase of 38.22% from RM79.47 million. The performance is mainly due to higher proceeds from sale of development lands during the current quarter.

The division recorded a pre-tax loss of RM2.50 million compared to a pre-tax loss of RM16.71 million for the same quarter last year. The result is mainly due to the reasons stated above.

**(ii) Hotel and Recreation Division**

For the current quarter

The Division's revenue fell to RM1.43 million from RM2.45 million, down by 41.63% from the same quarter of the preceding year mainly due to the winding-down of operations.

The division recorded a lower pre-tax loss of RM1.26 million compared to a pre-tax loss of RM3.44 million for the corresponding quarter of the previous year mainly due to the reason as above.

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*(The figures have not been audited)*

**Schedule F : Additional Disclosures Pursuant to Appendix 9B of the Listing requirements of Bursa Malaysia Securities Berhad (Cont'd)**

**2. Comparison with Preceding Quarter's Results (Quarter 1, 2016 vs Quarter 4, 2015)**

	<b>Current Quarter ended 30 April 2015 RM'000</b>	<b>Immediate preceding Quarter 31 January 2015 RM'000</b>
Revenue	109,843	59,974
(Loss)/Profit before tax	(2,497)	(92,621)

The Group recorded a quarterly increase of 83.16% in revenue to RM109.84 million from RM59.97 million. The current quarter recorded a pre-tax loss RM2.50 million compared to a pre-tax loss of RM92.62 million for the preceding quarter.

The improvement in result was mainly due to higher gains from disposals of lands and lower provisions for impairment of assets.

**3. Prospects**

The Group will continue to implement joint venture projects which were entered into earlier with reputable corporations. In addition, the Group has submitted its new development plans on various parcels of land and will launch them once approvals are obtained from the relevant authorities. However, the Board foresees a challenging financial year ahead for the Group due to market conditions brought about by tougher lending guidelines by Bank Negara Malaysia and an increasing construction costs environment.

**4. Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document during the current year quarter.

**5. Income Tax Expense**

	<b>Current year quarter 30/04/2015 RM'000</b>	<b>Current year to-date 30/04/2015 RM'000</b>
<u>Group</u>		
Income tax - prior years	698	698

**6. Status of Corporate Proposals**

There were no outstanding corporate proposals or new announcements made in the current quarter.

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**Schedule F : Additional Disclosures Pursuant to Appendix 9B of the Main Market Listing requirements of Bursa Malaysia Securities Berhad (Cont'd)**

**7. Group Borrowings and Debt Securities**

The Group's borrowings and debt securities as at 30 April 2015 are as follow:

	<b>Total</b>	
	<b>RM'000</b>	
<b><u>Secured</u></b>		
Short term borrowings		101,496
Long term borrowings		87,632
		<b>223,440</b>
	<b>Foreign</b>	<b>RM</b>
Foreign currency borrowings included above:	<b>Currency</b>	<b>Equivalent</b>
	<b>'000</b>	<b>'000</b>
Chinese Renminbi	55,399	31,943

**8. Material Litigation**

Save as disclosed below, neither Talam Transform Berhad ("Talam") nor its subsidiaries are engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which has a material effect on the business or financial position of the Group, and the Board has no knowledge of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the business or financial position of Talam Group:

Talam Transform Berhad ("Talam")

- (a) Talam has initiated legal proceedings against Bangkok Bank Berhad ("BBB") for foreclosing a piece of property that is pledged to BBB for credit facilities granted to a related party, Keuro Leasing Sdn Bhd, a wholly owned subsidiary of Kumpulan Europlus Berhad. The property, valued at RM48.70 million, is part and parcel of the properties being disposed to Menteri Besar Selangor (Incorporated) ("MBI") under a settlement agreement entered into on 12 March 2010 between the Company and MBI which was made known to BBB. Despite its awareness of this settlement agreement, BBB, had on 7 September 2010, proceeded to auction the property to a purchaser for RM15.00 million which is well below the transacted value with MBI of RM48.70 million.

The Company proceeded with full trial against BBB and the Court has fixed 30 June 2015 for delivery of decision. Based on legal counsel's advice, the Board of Directors of the Company believes that the Company has a reasonably good and valid claim in the legal action being taken.



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**Schedule F : Additional Disclosures Pursuant to Appendix 9B of the Main Market Listing requirements of Bursa Malaysia Securities Berhad (Cont'd)**

**9. Proposed dividend**

No dividend has been declared for the current quarter.

**10. Earnings Per Share**

Basic earnings per share is calculated by dividing the profit for the current year quarter attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period, excluding treasury shares held by the Company.

	<b>Current quarter ended 30 April 2015 RM'000</b>	<b>Current year ended 30 April 2015 RM'000</b>
Weighted average number of ordinary shares in issue, excluding treasury shares	4,217,644	4,217,644
Profit from continuing operations attributable to owners of the Company	(4,160)	(4,160)
Profit from discontinuing operations attributable to owners of the Company	(1,067)	(1,067)
Profit attributable to owners of the Company	(5,227)	(5,227)
Earnings per share ("EPS") (in sen)		
Basic	(0.12)	(0.12)
Diluted	(0.12)	(0.12)
<b>Earnings per share from continuing operations attributable to owners of parent (in sen)</b>		
Basic	(0.09)	(0.09)
Diluted	(0.09)	(0.09)
<b>Earnings per share from discontinued operations attributable to owners of parent (in sen)</b>		
Basic	(0.03)	(0.03)
Diluted	(0.03)	(0.03)

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**Schedule F : Additional Disclosures Pursuant to Appendix 9B of the Main Market Listing requirements of Bursa Malaysia Securities Berhad (Cont'd)**

**11. Realised and Unrealised Profits/(Losses) Disclosure**

The breakdown of the accumulated profits/(losses) of the Group as at 30 April 2015 into realised and unrealised profits/(losses) is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants on 20 December 2010.

	<b>As at 30 April 2015 RM'000</b>	<b>As at 30 April 2014 RM'000</b>
<b>Total accumulated losses of the Group and its subsidiaries</b>		
- Realised	(396,141)	(312,373)
- Unrealised	(40,448)	(11,987)
 <b>Joint ventures</b>		
- Realised	(2,278)	(196)
 <b>Associated companies</b>		
- Realised	(4,846)	-
	<hr/> <b>(443,713)</b> <hr/>	<hr/> <b>(324,556)</b> <hr/>

**12. Annual Audited Report**

The auditors' report on the financial statements of the Group for the financial year ended 31 January 2015 did not contain any qualification.

**13. Authorisation for Issue**

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 June 2015.

By order of the Board

Soo Kah Pik  
Company Secretary