

TALAM TRANSFORM BERHAD (1120 – H)
Financial Report for the financial period ended 30 April 2016
(These figures have not been audited)

Schedule A : Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 30 April 2016

	Individual period		Cumulative period	
	Current year quarter 30/04/2016	Preceding year quarter 30/04/2015	Current year period ended 30/04/2016	Preceding year period ended 30/04/2015
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	5,806	109,843	5,806	109,843
Cost of sales	(4,977)	(44,866)	(4,977)	(44,866)
Gross profit	829	64,977	829	64,977
Other operating income (Schedule A Note 1)	469	17,771	469	17,771
Administrative expenses (Schedule A Note 2)	(2,227)	(3,207)	(2,227)	(3,207)
Authority and professional expenses	(845)	(1,689)	(845)	(1,689)
Other expenses (Schedule A Note 3)	(349)	(74,936)	(349)	(74,936)
Result from operating activities	(2,123)	2,916	(2,123)	2,916
Finance income	928	743	928	743
Finance costs	(7,942)	(6,118)	(7,942)	(6,118)
(Loss) before tax and share of results	(9,137)	(2,459)	(9,137)	(2,459)
Share of results in jointly controlled entities and associate companies	(759)	(38)	(759)	(38)
(Loss) before tax	(9,896)	(2,497)	(9,896)	(2,497)
Income tax	26	698	26	698
(Loss) from continuing operations, net of tax	(9,870)	(1,799)	(9,870)	(1,799)
(Loss) from discontinued operations, net of tax (Schedule E Note 8)	(2,412)	(1,255)	(2,412)	(1,255)
(Loss) for the period	(12,282)	(3,054)	(12,282)	(3,054)

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Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)
For the financial period ended 30 April 2016

	Individual period		Cumulative period	
	Current year quarter 30/04/2016 RM'000	Preceding year quarter 30/04/2015 RM'000	Current year period ended 30/04/2016 RM'000	Preceding Year period ended 30/04/2015 RM'000
Other comprehensive income/(loss)				
Exchange difference on translation of foreign entity	(1,974)	131	(1,974)	131
Total comprehensive (loss) for the period	(14,256)	(2,923)	(14,256)	(2,923)
Profit/(Loss) for the period attributable to:				
Owners of the Company				
- continuing operations	(9,870)	(2,026)	(9,870)	(2,026)
- discontinued operation	(2,050)	(1,067)	(2,050)	(1,067)
	(11,920)	(3,093)	(11,920)	(3,093)
Non-controlling Interests	(362)	39	(362)	39
	(12,282)	(3,054)	(12,282)	(3,054)
Total comprehensive profit/(loss) for the period attributable to:				
Owners of the Company				
- continuing operations	(11,920)	(2,026)	(11,920)	(2,026)
- discontinued operation	(1,985)	(955)	(1,985)	(955)
	(13,905)	(2,981)	(13,905)	(2,981)
Non-controlling Interests	(351)	58	(351)	58
	(14,256)	(2,923)	(14,256)	(2,923)
Earnings per share from continuing operations attributable to owners of parent (in sen)				
Earnings per share ("EPS") (in sen)				
Basic	(0.23)	(0.09)	(0.23)	(0.09)
Diluted	(0.23)	(0.09)	(0.23)	(0.09)
Earnings per share from discontinued operations attributable to owners of parent (in sen)				
Basic	(0.05)	(0.03)	(0.05)	(0.03)
Diluted	(0.05)	(0.03)	(0.05)	(0.03)

Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)
For the financial period ended 30 April 2016

Individual period		Cumulative period	
Current year quarter 30/04/2016	Preceding year quarter 30/04/2015	Current year period ended 30/04/2016	Preceding Year period ended 30/04/2015
RM'000	RM'000	RM'000	RM'000
-	17,175	-	17,175
142	-	142	-
(302)	(241)	(302)	(241)
-	(73,962)	-	(73,962)

NOTE :

1) Included in the Other Operating Income:

Gain on assignment of debt - 17,175
 Provision for impairment of receivables no longer required 142 -

2) Included in the Other expenses

Amortisation and depreciation (302) (241)
 Provision for loss on disposal of development properties - (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 2016 and the accompanying explanatory notes attached to this interim financial report.

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(These figures have not been audited)

Schedule B : Condensed Consolidated Statement of Financial Position
As at 30 April 2016

	Unaudited as at 30/04/2016 RM'000	Audited As at 31/1/2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	108,930	114,923
Land held for property development	365,979	365,962
Investment properties	69,756	69,982
Interest in joint ventures	6,330	7,066
Interest in associates	25,351	25,374
Other investment	476	476
Long term associate	17,655	17,307
Long term receivables	29,306	28,736
Total non-current assets	623,783	629,826
Current assets		
Property development costs	55,266	55,138
Inventories	50,232	50,411
Trade and other receivables	134,316	136,758
Amount owing by associates	136,220	136,220
Sinking funds held by trustees	54	54
Short term investment	974	366
Cash and bank balances	6,043	6,655
	383,105	385,602
Assets held for sale	105,892	109,088
Total current assets	488,997	494,690
TOTAL ASSETS	1,112,780	1,124,516

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(These figures have not been audited)

Schedule B : Condensed Consolidated Statement of Financial Position (Cont'd)
As at 30 April 2016

	Unaudited as at 30/04/2016 RM'000	Audited as at 31/1/2016 RM'000
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	844,056	844,056
Treasury shares	(493)	(493)
Reserves	(414,157)	(400,252)
Equity attributable to owners of the Company	429,406	443,311
Non-controlling interests	(8,876)	(8,525)
Total equity	420,530	434,786
Non-current liabilities		
Borrowings	78,295	77,962
Other long term payables	161,540	157,282
Deferred tax liabilities	1,551	1,549
Total non-current liabilities	241,386	236,793
Current liabilities		
Provision for liability	18,530	18,530
Borrowings	119,694	123,258
Trade and other payables	275,515	274,024
Amount owing to associates	33,564	33,564
Current tax liabilities	3,561	3,561
	450,864	452,937
Total liabilities	692,250	689,730
TOTAL EQUITY AND LIABILITIES	1,112,780	1,124,516
Net assets per share attributable to Owners of the Company (RM)	0.10	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 2016 and the accompanying explanatory notes attached to this interim financial report.

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Financial Report for the financial period ended 30 April 2016
(These figures have not been audited)

Schedule C : Condensed Consolidated Statement of Cash Flows
For the financial period ended 30 April 2016

	Current period ended 30/04/2016 RM'000	Preceding year 's period ended 30/04/2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(9,896)	(2,497)
Profit/(Loss) before tax from discontinued operation	(2,412)	(1,255)
Adjustments for:		
Interest expenses:-		
- borrowings	3,281	2,313
Impairment of property development costs	-	73,962
Depreciation:		
- property, plant and equipment	1,011	238
- investment properties	226	3
Finance liabilities at amortised costs	4,661	3,649
Finance assets at amortised costs	(919)	(629)
Interest income	(9)	(114)
Share of results of joint ventures and associates	759	36
Operating profit/(loss) before working capital changes	<u>(3,298)</u>	<u>75,706</u>
Changes in working capital:		
Property development costs	3,052	43,589
Inventories	179	1,451
Receivables	2,444	9,799
Payables	3,010	(71,723)
Cash generated from operations carried forward	<u>5,387</u>	<u>58,822</u>
Interest received	9	114
Income tax paid	-	(3,707)
Interest paid	(3,281)	(2,313)
Net Cash Generated/(Utilised) In Operating Activities	<u>2,115</u>	<u>52,916</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	-	200
Net change in joint ventures balances	-	(599)
Additional of investment in associate	-	(17,174)
Additional of other investment	(608)	-
Purchase of property, plant and equipment	(1)	-
Net Cash Generated/(Utilised) From Investing Activities	<u>(609)</u>	<u>(17,573)</u>

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Schedule C : Condensed Consolidated Statement of Cash Flows
For the financial period ended 30 April 2016

	Current period ended 30/04/2016 RM'000	Preceding year 's period ended 30/04/2015 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(2,043)	(34,312)
Net changes in sinking funds held by trustees	-	2
Net Cash Generated/(Utilised) In Financing Activities	<u>(2,043)</u>	<u>(34,310)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(537)	1,033
EFFECTS OF EXCHANGE DIFFERENCES	(75)	(71)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR	6,610	29,493
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD	<u>5,998</u>	<u>30,455</u>
Cash in hand and bank balances	5,869	23,254
Deposits with licensed banks	<u>174</u>	<u>7,297</u>
	6,043	30,551
Balances pledged as securities to licensed banks - HDA	<u>(45)</u>	<u>(96)</u>
	<u>5,998</u>	<u>30,455</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 January 2016 and the accompanying explanatory notes attached to this interim financial report.

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Schedule D : Condensed Consolidated Statement of Changes in Equity
For the financial period ended 30 April 2016

	Attributable to owners of the Company						Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Treasury Shares	Capital Reserves	Accumulated Losses	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 February 2016	844,056	12,030	(493)	52,608	(464,890)	443,311	(8,525)	434,786
Total comprehensive income/(loss) for the financial year	-	-	-	(1,985)	(11,920)	(13,905)	(351)	(14,256)
At 30 April 2016	844,056	12,030	(493)	50,623	(476,810)	429,406	(8,876)	420,530
At 1 February 2015	844,056	12,030	(493)	47,596	(443,633)	459,556	(5,638)	453,918
Total comprehensive income/(loss) for the financial year	-	-	-	5,012	(21,257)	(16,245)	(2,183)	(18,428)
Realisation of reserve on disposal of subsidiaries	-	-	-	-	-	-	(704)	(704)
At 31 January 2016	844,056	12,030	(493)	52,608	(464,890)	443,311	(8,525)	434,786

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2016 and the accompanying explanatory notes attached to this interim financial report.

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 2016 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements.

2. Changes in Accounting Policies

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 2016.

The Group intends to adopt the following standards, where applicable, when they become effective. The adoption of the following standards is not expected to have material effect on the financial statements:-

		Effective for the financial period beginning on or after
<u>New FRSs</u>		
FRS 9	Financial Instruments	1 January 2018
FRS 14	Regulatory Deferral Accounts	1 January 2016
<u>Amendments/Improvements to FRSs</u>		
FRS 5	Non-current Asset Held for Sale and Discontinued Operations	1 January 2016
FRS 7	Financial Instruments: Disclosures	1 January 2016
FRS 10	Consolidated Financial Statements	Deferred/ 1 January 2016
FRS 11	Joint Arrangements	1 January 2016
FRS 12	Disclosure of Interest in Other Entities	1 January 2016
FRS 101	Presentation of Financial Statement	1 January 2016
FRS 107	Statement of Cash Flows	1 January 2017
FRS 112	Income Taxes	1 January 2017
FRS 116	Property, Plant and Equipment	1 January 2016
FRS 119	Employee Benefits	1 January 2016
FRS 127	Separate Financial Statements	1 January 2016
FRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2016
FRS 134	Interim Financial Reporting	1 January 2016
FRS 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 issued 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 investors and venturers (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.

MASB made an announcement on 8 September 2015 regarding the deferral of the effective date for MFRS 15 "Revenue from Contract with Customers". According to the announcement, the adoption of MFRS 15 will be mandatory for annual periods beginning on or after 1 January 2018.

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 2018. The Group and the Company will prepare their first MFRSs financial statements using the MFRSs framework for the financial year ending 31 January 2019.

3. Seasonality or Cyclicity of Operations

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

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 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 was paid since the beginning of the current quarter.

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

8. Discontinued operation

On 13 November 2015, the Company announced the official termination of the Share Sale Agreement (SSA) between Malim Enterprise (HK) Limited and Cre8ive Hotel Management Limited for the proposed disposal of the entire 85% equity interest in Jilin Province Maxcourt Hotel Limited (JPMHL). The termination of this SSA was due to the failure of the purchaser to provide the relevant documents for submission to the local authorities and to settle the outstanding bank loan of the JPMHL.

JPMHL is a wholly-owned subsidiary of the Group which is reported in the hotel and recreation segment, has already ceased operation.

Statement of financial position disclosure :

The financial position of JPMHL is as follows :

	As at 30/04/2016	As at 31/01/2016 (audited)
	RM'000	RM'000
Assets:		
Property, plant and equipment	107,967	113,887
Cash and bank balance	591	129
Total assets	<u>108,558</u>	<u>114,016</u>
Liabilities:		
Short term borrowings	31,143	34,682
Trade and other payables	33,791	36,151
Total liabilities	<u>64,934</u>	<u>70,833</u>

Statement of comprehensive income disclosure :

The results of JPMHL for the current quarter are as follows :

	Individual period		Cumulative period	
	Current quarter	Preceding quarter	Current year period ended	Preceding year period ended
	30/04/2016	30/04/2015	30/04/2016	30/04/2015
	RM'000	RM'000	RM'000	RM'000
Revenue	568	1,428	568	1,428
Expenses	<u>(2,056)</u>	<u>(1,791)</u>	<u>(2,056)</u>	<u>(1,791)</u>
Loss from operations	(1,488)	(363)	(1,488)	(363)
Finance costs	<u>(923)</u>	<u>(892)</u>	<u>(923)</u>	<u>(892)</u>
Loss before tax from discontinued operation	(2,411)	(1,255)	(2,411)	(1,255)
Taxation	-	-	-	-
Loss from discontinued operation	<u>(2,411)</u>	<u>(1,255)</u>	<u>(2,411)</u>	<u>(1,255)</u>
Translation reserve	76	131	76	131
Total comprehensive loss from discontinued operation	<u>(2,335)</u>	<u>(1,124)</u>	<u>(2,335)</u>	<u>(1,124)</u>

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

8. Discontinued operation

Statement of cash flows disclosures :

The cash flows attributable to JPMHL are as follows :

	Individual period		Cumulative period	
	Current quarter 30/04/2016 RM'000	Preceding quarter 30/04/2015 RM'000	Current year period ended 30/04/2016 RM'000	Preceding year period ended 30/04/2015 RM'000
Cash flow generated from/use in:				
Operating activities	2,483	215	2,483	215
Investing activities	-	-	-	-
Financing activities	(2,021)	(1,436)	(2,021)	(1,436)
Net cash inflow/(outflow)	462	(1,221)	462	(1,221)
Cash flow at the beginning of the financial period	-	-	129	1,350
Cash and cash equivalent at the end of financial period	462	(1,221)	591	129

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

	Quarter ended 30 April		Year-To-Date ended 30 April	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
<u>Revenue</u>				
Property Development and Investment	5,806	204,548	5,806	204,548
Hotel and Recreation (Discontinued)	568	10,388	568	10,388
	<u>6,374</u>	<u>214,936</u>	<u>6,374</u>	<u>214,936</u>
<u>Profit/(Loss) before tax</u>				
Property Development and Investment	(9,896)	(97,911)	(9,896)	(97,911)
Hotel and Recreation (Discontinued)	(2,412)	(12,479)	(2,412)	(12,479)
	<u>(12,308)</u>	<u>(110,390)</u>	<u>(12,308)</u>	<u>(110,390)</u>

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

10. Changes in the Composition of the Group

There was no change in the composition of the Group for the current quarter.

11. Contingent Liabilities and Assets

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

12. Events After the Reporting Period

There was no material event subsequent to the current quarter.

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 RM5.81 million, a 94.71% decrease from the RM109.84 million generated during last year's corresponding quarter. The decrease is mainly due to lower sales of development lands.

Group pre-tax loss was RM9.90 million compared to a pre-tax loss of RM2.50 million for the same quarter last year. The Group's results were affected mainly due to lower gross profit and the absence of other operating income.

(b) Segmental Results Commentary:

(i) Property Development and Investment Division

For the current quarter

The division recorded revenues of RM5.81 million, a 94.71% decrease from the RM109.84 million generated during last year's corresponding quarter. The result was mainly due to the reason stated above.

The division recorded a pre-tax loss of RM9.90 million compared to a pre-tax loss of RM2.50 million for the same quarter last year. The result was mainly due to the reasons stated above.

(ii) Hotel and Recreation Division

For the current quarter

The division's revenue fell to RM0.57 million from RM1.43 million, down by 60.14% from the same quarter of the preceding year due to its cessation of operations.

The division recorded a higher pre-tax loss of RM2.41 million compared to a pre-tax loss of RM1.26 million for the corresponding quarter of the previous year for the same reason.

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, 2017 vs Quarter 4, 2016)

	Current Quarter ended 30 April 2016 RM'000	Immediate preceding Quarter ended 31 January 2016 RM'000
Revenue	5,806	31,697
(Loss)/Profit before tax	(9,896)	(1,198)

The Group recorded a quarterly decrease of 81.68% in revenue to RM5.81 million from RM31.70 million. The result was affected mainly due to lower sales of development lands during the current quarter.

The current quarter recorded a pre-tax loss of RM9.90 million compared to a pre-tax profit of RM1.20 million for the preceding quarter. The Group's results were affected mainly by the absence of other income, which in the preceding quarter, had arisen from the writing back of various impairment provisions no longer required.

3. Prospects

The Group's joint venture projects are on-going. 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 environment 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 quarter.

5. Income Tax Expense

	Current quarter 30/04/2016 R M'000	Current year period ended 30/04/2016 R M'000
Group		
Tax refund	26	26

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

6. Status of Corporate Proposals

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

7. Group Borrowings and Debt Securities

The Group's borrowings and debt securities as at 30 April 2016 are as follows:

	<u>Total</u>
	<u>RM'000</u>
<u>Secured</u>	
Short term borrowings	119,694
Long term borrowings	78,295
	<u>197,989</u>

	Foreign Currency '000	RM Equivalent '000
Foreign currency borrowings included above:		
Chinese Renminbi	51,647	31,143
	<u>51,647</u>	<u>31,143</u>

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:

- (i) TTB had initiated legal proceedings against Bangkok Bank Berhad ("**BBB**") for foreclosing a piece of property that was pledged to BBB for credit facilities granted to a related party, Keuro Leasing Sdn Bhd, a then wholly-owned subsidiary of TTB. 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 TTB and MBI which was made known to BBB. Notwithstanding the above, BBB, had on 7 September 2010, proceeded to auction the property to a purchaser for RM15.00 million which was well below the transacted value with MBI of RM48.70 million.

TTB proceeded with full trial against BBB. However, the High Court had dismissed TTB's claims with cost on 22 October 2015.

TTB had on 5 November 2015, filed an appeal to the Court of Appeal against the decision of the High Court and the appeal was fully heard on 21 and 22 April 2016.

The Court of Appeal will notify parties of the date for decision when the Court of Appeal is ready to deliver.

Based on legal counsel's advice, the Board of Directors of TTB believes that TTB has a reasonably good and valid appeal.

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

8. Material Litigation (Cont'd)

- (ii) A Writ of Summons and the Statement of Claim was filed in the Kuala Lumpur High Court by Universal Healthcare (R&D) Sdn Bhd (“UHSB”) against TTB and 3 other Defendants who were Directors of Pandan Indah Medical Management Sdn Bhd (In Liquidation), a former subsidiary of TTB (“PIMM”).

UHSB claims against TTB for the Declarations that TTB is a director of PIMM and that the business of PIMM was carried out by its Directors and/or TTB and that the Directors of PIMM and/or TTB are personally liable to UHSB. Consequently, UHSB is seeking an order that the Directors of PIMM and/or TTB pay jointly and/or severally, the alleged debt arising from the judgment sum of RM23.82 million assessed by UHSB against PIMM together with interest at the rate of 8% per annum from the date of Writ of Summons until full settlement amounting to RM49.23 million (as at 12 October 2015) and /or in the alternative, damages to be assessed.

TTB has filed its defence and also counterclaimed against UHSB and the 3 Directors of UHSB for general damages, exemplary damages and aggravated damages for the tort of abuse of process and/or malicious prosecution.

TTB had filed an application to strike out UHSB's claim. TTB's lawyers had on 12 April 2016 informed TTB that its application was dismissed by the High Court and the trial of the Civil Suit is now fixed for hearing on 19, 20, 23 & 24 January 2017.

Based on legal counsel's advice, the Civil Suit's likelihood of success is remote.

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 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.

	Current quarter ended 30 April 2016 RM'000	Current year-to-date 30 April 2016 RM'000
Weighted average number of ordinary shares in issue, excluding treasury shares	4,217,644	4,217,644
Profit/(Loss) from continuing operations attributable to owners of the Company	(9,870)	(9,870)
Profit/(Loss) from discontinuing operations attributable to owners of the Company	(2,050)	(2,050)
Profit/(Loss) attributable to owners of the Company	<u>(11,920)</u>	<u>(11,920)</u>

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

10. Earnings Per Share (Con't)

	Current quarter ended 30 April 2016 RM'000	Current year-to-date 30 April 2016 RM'000
Earnings per share ("EPS") (in sen)		
Basic	(0.28)	(0.28)
Diluted	(0.28)	(0.28)
<hr/>		
Earnings per share from continuing operations attributable to owners of parent (in sen)		
Basic	(0.23)	(0.23)
Diluted	(0.23)	(0.23)
<hr/>		
Earnings per share from discontinued operations attributable to owners of parent (in sen)		
Basic	(0.05)	(0.05)
Diluted	(0.05)	(0.05)
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11. Realised and Unrealised Profits/(Losses) Disclosure

The breakdown of the accumulated profits/(losses) of the Group as at 30 April 2016 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.

	As at 30 April 2016 RM'000	As at 31 January 2016 RM'000
Total accumulated losses of the Group		
- Realised	(447,456)	(436,297)
- Unrealised	(20,081)	(20,079)
 Joint ventures		
- Realised	(3,920)	(3,184)
 Associated companies		
- Realised	(5,353)	(5,330)
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	(476,810)	(464,890)
	<hr/>	<hr/>

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

12. Annual Audited Report

The auditors' report on the financial statements of the Group for the financial year ended 31 January 2016 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 23 June 2016.

By order of the Board

Soo Kah Pik
Company Secretary