

**TALAM TRANSFORM BERHAD (1120 – H )**  
**Financial Report for the financial period ended 30 April 2018**  
*(These figures have not been audited)*

**Schedule A : Condensed Consolidated Statement of Comprehensive Income**  
**For the financial year ended 30 April 2018**

	Individual period		Cumulative period	
	Current quarter ended 30/04/2018	Preceding year quarter ended 30/04/2017	Current year period ended 30/04/2018	Preceding year period ended 30/04/2017
	RM'000	RM'000	RM'000	RM'000
<b>Continuing Operations</b>				
<b>Revenue</b>	9,557	4,380	9,557	4,380
Cost of sales	(7,814)	(3,386)	(7,814)	(3,386)
<b>Gross profit/(loss)</b>	1,742	994	1,742	994
Other operating income (Schedule A Note 1)	248	256	248	256
Gain on disposal of subsidiaries	-	2,399	-	2,399
Administrative expenses	(2,594)	(2,422)	(2,594)	(2,422)
Authority and professional expenses	(657)	(1,320)	(657)	(1,320)
Other expenses (Schedule A Note 2)	(507)	(2,823)	(507)	(2,823)
<b>Result from operating activities</b>	(1,768)	(2,916)	(1,768)	(2,916)
Finance income (Schedule A Note 3)	2,179	3,112	2,179	3,112
Finance costs (Schedule A Note 4)	(5,470)	(4,551)	(5,470)	(4,551)
<b>Loss before tax and share of results</b>	(5,060)	(4,355)	(5,060)	(4,355)
Share of results in jointly controlled entities and associate companies	(164)	(1,252)	(164)	(1,252)
<b>Loss before tax</b>	(5,225)	(5,607)	(5,225)	(5,607)
Income tax	(3)	(6)	(3)	(6)
<b>Loss from continuing operations, net of tax</b>	(5,228)	(5,614)	(5,228)	(5,614)
Profit/(Loss) from discontinued operations, net of tax (Schedule E Note 8)	228	(963)	228	(963)
<b>Loss for the period</b>	(5,001)	(6,576)	(5,001)	(6,576)

**Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)**  
**For the financial year ended 30 April 2018**

	Individual period		Cumulative period	
	Current quarter ended 30/04/2018 RM'000	Preceding year quarter ended 30/04/2017 RM'000	Current year period ended 30/04/2018 RM'000	Preceding year period ended 30/04/2017 RM'000
<b>Other comprehensive income/(loss)</b>				
Exchange difference on translation of foreign entity	302	(975)	302	(975)
<b>Total comprehensive loss for the period</b>	<b>(4,698)</b>	<b>(7,551)</b>	<b>(4,698)</b>	<b>(7,551)</b>
Loss for the period attributable to:				
Owners of the Company				
- continuing operations	(5,219)	(5,612)	(5,219)	(5,612)
- discontinued operation	194	(819)	194	(819)
	(5,024)	(6,431)	(5,024)	(6,431)
Non-controlling Interests	23	(145)	23	(145)
	(5,001)	(6,576)	(5,001)	(6,576)
Total comprehensive loss for the period attributable to:				
Owners of the Company				
- continuing operations	(5,149)	(6,678)	(5,150)	(6,678)
- discontinued operation	451	(742)	451	(742)
	(4,699)	(7,420)	(4,699)	(7,420)
Non-controlling Interests	1	(131)	1	(131)
	(4,698)	(7,551)	(4,698)	(7,551)
<b>Earnings per share from continuing operations attributable to owners of parent (in sen)</b>				
<b>Earnings per share ("EPS") (in sen)</b>				
Basic	(0.12)	(0.13)	(0.12)	(0.13)
Diluted	(0.12)	(0.13)	(0.12)	(0.13)
<b>Earnings per share from discontinued operations attributable to owners of parent (in sen)</b>				
Basic	0.00	(0.02)	0.00	(0.02)
Diluted	0.00	(0.02)	0.00	(0.02)

**Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)**  
**For the financial year ended 30 April 2018**

**NOTE :**

**1) Included in the Other Operating Income:**

Provision for impairment of receivables no longer required

**2) Included in the Other Expenses**

Amortisation and depreciation

Provision for impairment of receivables, associates and jointly controlled entities

**3) Included in Finance Income**

Gain on discounting of financial instruments, net of amortisation

**4) Included in Finance Costs**

Loss on discounting of financial instruments, net of amortisation

	Individual period		Cumulative period	
	Current quarter ended 30/04/2018	Preceding year quarter ended 30/04/2017	Current year period ended 30/04/2018	Preceding year period ended 30/04/2017
	RM'000	RM'000	RM'000	RM'000
	230	-	230	-
	(321)	(323)	(321)	(323)
	-	(2,411)	-	(2,411)
	2,173	3,038	2,173	3,038
	(93)	(287)	(93)	(287)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial report.

**TALAM TRANSFORM BERHAD (1120 – H)**  
**Financial Report for the financial period ended 30 April 2018**  
*(These figures have not been audited)*

**Schedule B : Condensed Consolidated Statement of Financial Position**  
**As at 30 April 2018**

	Unaudited as at 30/04/2018 RM'000	Audited As at 31/1/2018 RM'000 (Restated)	Audited As at 1/2/2017 RM'000 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	478	508	737
Inventories	351,590	351,145	333,385
Investment properties	95,448	95,693	96,676
Interest in joint ventures	6,179	6,328	4,585
Interest in associates	18,559	18,574	19,570
Other investment	2	2	476
Long term associate	87,617	87,125	98,001
Long term receivables	43,606	47,834	61,099
<b>Total non-current assets</b>	<b>603,476</b>	<b>607,209</b>	<b>614,529</b>
<b>Current assets</b>			
Inventories	56,142	55,266	84,814
Contract assets	433	1	-
Trade and other receivables	80,353	83,291	83,796
Amount owing by associates	22,376	22,333	3,677
Sinking funds held by trustees	508	54	54
Short term investment	1,049	1,298	223
Cash and bank balances	7,335	6,486	11,914
	168,196	168,729	184,478
Assets held for sale	124,057	124,483	157,278
<b>Total current assets</b>	<b>292,252</b>	<b>293,212</b>	<b>341,756</b>
<b>TOTAL ASSETS</b>	<b>895,729</b>	<b>900,421</b>	<b>956,285</b>

**TALAM TRANSFORM BERHAD (1120 – H)**  
**Financial Report for the financial period ended 30 April 2018**  
*(These figures have not been audited)*

**Schedule B : Condensed Consolidated Statement of Financial Position (Cont'd)**  
**As at 30 April 2018**

	<b>Unaudited as at 30/04/2018 RM'000</b>	<b>Audited as at 31/1/2018 RM'000 (Restated)</b>	<b>Audited as at 1/2/2017 RM'000 (Restated)</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital	856,086	856,086	856,086
Treasury shares	(493)	(493)	(493)
Reserves	(475,794)	(471,095)	(445,780)
Equity attributable to owners of the Company	379,799	384,498	409,813
<b>Non-controlling interests</b>	(9,743)	(9,744)	(9,658)
<b>Total equity</b>	<b>370,056</b>	<b>374,754</b>	<b>400,155</b>
<b>Non-current liabilities</b>			
Borrowings	57,772	57,700	70,024
Other long term payables	182,281	179,406	161,606
Deferred tax liabilities	-	-	2
<b>Total non-current liabilities</b>	<b>240,052</b>	<b>237,106</b>	<b>231,632</b>
<b>Current liabilities</b>			
Provision for liability	5,780	5,780	5,206
Contract liabilities	1,062	544	-
Borrowings	52,080	52,084	29,217
Trade and other payables	191,764	194,275	224,782
Current tax liabilities	3,092	2,923	2,938
	253,779	255,606	262,143
Liabilities directly associated with assets classified as held for sale	31,842	32,955	62,355
<b>Total current liabilities</b>	<b>285,621</b>	<b>288,561</b>	<b>324,498</b>
<b>Total liabilities</b>	<b>525,673</b>	<b>525,667</b>	<b>556,130</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>895,729</b>	<b>900,421</b>	<b>956,285</b>
Net assets per share attributable to Owners of the Company (RM)	0.09	0.09	0.09

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial report.

**TALAM TRANSFORM BERHAD (1120 – H )**  
**Financial Report for the financial period ended 30 April 2018**  
*(These figures have not been audited)*

**Schedule C : Condensed Consolidated Statement of Cash Flows**  
**For the financial year ended 30 April 2018**

	<b>Current year period ended <u>30/04/2018</u> RM'000</b>	<b>Preceding year period ended <u>30/04/2017</u> RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(5,225)	(5,607)
Profit/(Loss) before tax from discontinued operation	228	(963)
Adjustments for:		
Depreciation:		
- property, plant and equipment	76	77
- investment properties	245	246
Finance liabilities at amortised costs	(2,173)	287
Finance assets at amortised costs	93	(3,038)
Gain on disposal of subsidiaries	-	(2,399)
Interest expenses	5,379	5,290
Impairment of receivables	-	2,411
Impairment loss on receivables no longer required	(231)	-
Interest income	(6)	(74)
Share of results of joint ventures and associates	164	1,252
Operating loss before working capital changes	<u>(1,450)</u>	<u>(2,518)</u>
Changes in working capital:		
Inventories	(903)	4,145
Receivables	8,139	84
Payables	625	3,838
Cash generated from operations carried forward	<u>6,411</u>	<u>5,549</u>
Interest received	6	74
Interest paid	<u>(5,379)</u>	<u>(5,290)</u>
Net Cash Generated In Operating Activities	<u>1,038</u>	<u>333</u>

**TALAM TRANSFORM BERHAD (1120 – H )**  
**Financial Report for the financial period ended 30 April 2018**  
*(These figures have not been audited)*

**Schedule C : Condensed Consolidated Statement of Cash Flows**  
**For the financial year ended 30 April 2018**

	<b>Current year period ended 30/04/2018 RM'000</b>	<b>Preceding year period ended 30/04/2017 RM'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment in other investment	249	(1,057)
Purchase of property, plant and equipment	(44)	(34)
Net Cash Utilised From Investing Activities	<u>205</u>	<u>(1,091)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	-	(441)
Net Cash Utilised In Financing Activities	<u>-</u>	<u>(441)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	1,243	(1,199)
<b>EFFECTS OF EXCHANGE DIFFERENCES</b>	(394)	(1,605)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR</b>	4,882	11,869
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD</b>	<u>5,731</u>	<u>9,065</u>
<b>Cash in hand and bank balances</b>	<b>5,731</b>	<b>6,630</b>
<b>Deposits with licensed banks</b>	<u>1,604</u>	<u>2,480</u>
	<b>7,335</b>	<b>9,110</b>
<b>Balances pledged as securities to licensed banks - HDA</b>	<u>(1,604)</u>	<u>(45)</u>
	<u>5,731</u>	<u>9,065</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 January 2018 and the accompanying explanatory notes attached to this interim financial report.

**TALAM TRANSFORM BERHAD (1120 – H )**  
**Financial Report for the financial period ended 30 April 2018**  
*(These figures have not been audited)*

**Schedule D : Condensed Consolidated Statement of Changes in Equity**  
**For the financial year ended 30 April 2018**

	Attributable to owners of the Company						Total	Non-Controlling Interests	Total Equity
	← Non - Distributable →								
	Share Capital	Share Premium	Treasury Shares	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
<b>At 1 February 2018</b>	856,086	-	(493)	2,292	49,410	(522,797)	384,498	(9,744)	374,754
Total comprehensive loss for the financial year	-	-	-	326	-	(5,024)	(4,699)	1	(4,698)
<b>At 30 April 2018</b>	<b>856,086</b>	<b>-</b>	<b>(493)</b>	<b>2,618</b>	<b>49,410</b>	<b>(527,821)</b>	<b>379,799</b>	<b>(9,743)</b>	<b>370,056</b>
<b>At 1 February 2017</b>	856,086	-	(493)	11,955	41,658	(499,393)	409,813	(9,658)	400,155
Total comprehensive loss for the financial year	-	-	-	(1,911)	-	(23,404)	(25,315)	(88)	(25,403)
Reclassification of disposal to assets held for sale	-	-	-	(7,752)	7,752	-	-	-	-
Realisation of reserve on disposal of subsidiaries	-	-	-	-	-	-	-	2	2
<b>At 31 January 2018</b>	<b>856,086</b>	<b>-</b>	<b>(493)</b>	<b>2,292</b>	<b>49,410</b>	<b>(522,797)</b>	<b>384,498</b>	<b>(9,744)</b>	<b>374,754</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2018 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 Malaysian Financial Reporting Standard (“MFRS”) 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 2018 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 2017.

#### **(a) Adoption of new MFRSs and amendments/improvements to MFRSs**

The Group has adopted the following amendments/improvements to MFRSs that are mandatory:

##### **New MFRSs**

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

##### **Amendments/Improvements to MFRSs**

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standard <i>(Annual Improvement to MFRS Standards 2014 – 2016 Cycle)</i>
MFRS 2	Classification and Measurement of Share-based Payment Transactions
MFRS 128	Investment in Associates and Joint Ventures <i>(Annual Improvement to MFRS Standards 2014 – 2016 Cycle)</i>
MFRS 140	Transfer of Investment Property

The adoption of the above new and amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company, and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except for those as discussed below.

#### **(i) Adoption of MFRS 9**

By adopting MFRS 9, the Group applied expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard requires the Group to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. This model also requires the Group to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

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

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

**(a) Adoption of new MFRSs and amendments/improvements to MFRSs (Cont'd)**

**(ii) Adoption of MFRS 15**

Presentation of contract assets and contract liabilities

The Group has changed the presentation of certain disclosures in the statements of financial position to reflect the terminology of MFRS 15:

- Contract assets recognised in relation to property development contracts, which were previously presented as accrued billings and retention sum as part of trade and other receivables.
- Contract liabilities in relation to expected volume discounts and refunds to customers, which were previously presented as provisions.
- Contract liabilities/assets recognised in relation to construction contracts, which were previously presented as part of amount due to/by contract customers.

Presentation of land held for property development and property development costs

The Group has reclassified its land held for property development and property development costs to inventories in view the FRS 201 has now been replaced by MFRS 15.

The effect arising from the adoption of MFRS Frame work on the financial statement is as follows:

	<b>As previously reported RM'000</b>	<b>Effect of Transitioning to MFRS RM'000</b>	<b>As restated RM'000</b>
<b><u>As at 1 February 2017</u></b>			
<b>Non-current assets</b>			
Land held for property development	333,385	(333,385)	-
Inventories	-	333,385	333,385
<b>Current assets</b>			
Property development costs	35,094	(35,094)	-
Inventories	49,720	35,094	84,814
<b><u>As at 31 January 2018</u></b>			
<b>Non-current assets</b>			
Land held for property development	351,145	(351,145)	-
Inventories	-	351,145	351,145
<b>Current assets</b>			
Property development costs	5,109	(5,109)	-
Inventories	50,157	5,109	55,266
Amount due by contract customers	1	(1)	-
Contract assets	-	1	1
<b>Current liabilities</b>			
Amount due to contract customers	544	(544)	-
Contract liabilities	-	544	544

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

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

**(b) Amendments/improvements to MFRSs that are issued, but not yet effective and have not been early adopted**

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: -

		<b>Effective for the financial period beginning on or after</b>
<b><u>Amendments/Improvements to FRSs</u></b>		
MFRS 2	Share-based Payment	1 January 2020
MFRS 3	Business Combinations	1 January 2019/
		1 January 2020
MFRS 6	Exploration for and Evaluation of Mineral Resources	1 January 2020
MFRS 9	Prepayment Features with Negative Compensation	1 January 2019
MFRS 11	Joint Arrangements (Annual Improvement to MFRS Standards 2015 – 2017 Cycle)	
MFRS 14	Regulatory Deferral Accounts	1 January 2020
MFRS 16	Leases	1 January 2019
MFRS 17	Insurance Contract	1 January 2021
MFRS 101	Presentation of Financial Statements	1 January 2020
MFRS 112	Income Taxes (Annual Improvements to MFRS Standards 2015 – 2017 Cycle)	1 January 2019
MFRS 119	Plan Amendment, Curtailment or Settlement	1 January 2019
MFRS 123	Borrowing Costs (Annual Improvements to MFRS Standards 2015 – 2017 Cycle)	1 January 2019
MFRS 128	Long-term Interest in Associates and Joint Ventures	1 January 2019
MFRS 134	Interim Financial Reporting	1 January 2020
MFRS 137	Provision, Contingent Liabilities and Contingent Assets	1 January 2020
MFRS 138	Intangible Assets	1 January 2020

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.

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

**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 effect 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 5 January 2017, Malim Enterprise (HK) Limited, a wholly-owned subsidiary of the Company entered into a Shares Sale Agreement with Jilin Province Zhuo Yue Investment Co. Limited (“Zhuo Yue”) to dispose of its subsidiary, Jilin Province Maxcourt Hotel Limited (“JPMHL”), which as reported in the hotel and recreation segment, has already ceased operation.

This agreement was mutually and amicably terminated on 6 February 2018. The termination was due to the failure of Zhuo Yue to obtain approval from the Trade and Industry Bureau of Jilin Province.

Subsequently, also on 6 February 2018, the Group entered into a Shares Sale Agreement (the “Agreement”) to dispose 100% of the equity interest in Malim Group to World Lucky Business Chief Club Limited (the “Purchaser”). The Group has received the deposit amounting of RM1.09 million during the current financial year.

Malim Group consists of Malim Enterprise (HK) Limited (“Malim”) and Jilin Province Maxcourt Hotel Limited (“JPMHL”). JPMHL is a subsidiary of Malim that will be disposed together with Malim.

**Statement of financial position disclosure :**

The financial position of Malim Group is as follows :

	<b>As at 30/04/2018</b>	<b>As at 31/01/2018 (audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets:</b>		
Property, plant and equipment	108,239	107,565
Trade and other receivables	940	2,044
Cash and bank balance	508	503
Total assets	<u>109,687</u>	<u>110,112</u>
<b>Liabilities:</b>		
Short term borrowings	9,283	9,223
Trade and other payables	22,559	23,732
Total liabilities	<u>31,842</u>	<u>32,955</u>

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

**8. Discontinued operation (Cont'd)**

**Statement of comprehensive income disclosure :**

The results of Malim Group for the current quarter are as follows :

	Individual period		Cumulative period	
	Current quarter ended 30/04/2018 RM'000	Preceding year quarter ended 30/04/2017 RM'000	Current year period ended 30/04/2018 RM'000	Preceding year period ended 30/04/2017 RM'000
Income	710	569	710	569
Expenses	(249)	(507)	(249)	(507)
Profit from operations	461	62	461	62
Finance costs	(233)	(1,025)	(233)	(1,025)
(Loss)/Profit before tax from discontinued operation	228	(963)	228	(963)
Taxation	-	-	-	-
(Loss)/Profit from discontinued operation	228	(963)	228	(963)
Translation reserve	302	90	302	90
Total comprehensive (loss)/income from discontinued operation	530	(873)	530	(873)

**Statement of cash flows disclosures :**

The cash flows attributable to Malim Group are as follows :

	Individual period		Cumulative period	
	Current quarter ended 30/04/2018 RM'000	Preceding year quarter ended 30/04/2017 RM'000	Current year period ended 30/04/2018 RM'000	Preceding year period ended 30/04/2017 RM'000
Cash flow generated from/(use) in:				
Operating activities	(3,280)	(5)	(3,280)	(5)
Investing activities	-	-	-	-
Financing activities :				
- Advances from holding company	3,285	-	3,285	-
- Repayment of bank loan	-	-	-	-
Net cash inflow/(outflow)	5	(5)	5	(5)
Cash flow at the beginning of the financial period	-	-	372	323
Cash and cash equivalent at the end of financial period	5	(5)	377	318

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

**9. Segmental Information**

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

	Quarter		Year-To-Date	
	ended 31 January 2018	ended 31 January 2017	ended 31 January 2018	ended 31 January 2017
<u>Revenue</u>	RM'000	RM'000	RM'000	RM'000
Property Development	2,594	2,614	2,594	2,614
Hotel and Recreation (Discontinued)	-	-	-	-
Property Investment and Management	1,549	1,766	1,549	1,766
Construction	5,414	-	5,414	-
	<u>9,557</u>	<u>4,380</u>	<u>9,557</u>	<u>4,380</u>
 <u>(Loss)/Profit before tax</u>				
Property Development	(3,821)	(4,007)	(3,820)	(4,007)
Hotel and Recreation (Discontinued)	228	(963)	228	(963)
Property Investment and Management	(1,655)	(1,600)	(1,655)	(1,600)
Construction	250	-	250	-
	<u>(4,998)</u>	<u>(6,570)</u>	<u>(4,997)</u>	<u>(6,570)</u>
 <u>Segment assets</u>				
Property Development			692,664	752,281
Hotel and Recreation (Discontinued)			109,687	111,234
Property Investment and Management			85,316	85,534
Construction			8,062	-
			<u>895,729</u>	<u>949,049</u>
 <u>Segment liabilities</u>				
Property Development			469,777	476,809
Hotel and Recreation (Discontinued)			31,842	61,999
Property Investment and Management			19,844	17,636
Construction			4,210	-
			<u>525,673</u>	<u>556,444</u>

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

There were no changes in the composition of the Group during the current quarter.

**11. Contingent Liabilities and Assets**

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

**12. Events After the Reporting Period**

There was no material event subsequent to the current year 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 a revenue of RM9.56 million, a 118.26% increase from the RM4.38 million generated during last year's corresponding quarter. The improvement is mainly due to new revenue from construction and sale of inventories during the current quarter.

Group pre-tax loss was RM5.00 million compared to RM6.57 million for the same quarter last year, an improvement of RM1.57 million. The lower pre-tax loss was primarily due to the gross profit from the sale of inventories which amounted to RM0.83 million. Furthermore, share of loss from associates dropped to RM0.164 million as compared to RM1.25 million in last year's corresponding quarter.

**(b) Segmental Results Commentary:**

**(i) Property Development Division**

For the current quarter

The division recorded a revenue of RM2.60 million, flat against the RM2.60 million generated during last year's corresponding quarter. The absence of revenue from sale of land was substantially compensated by revenue from sale of inventories.

The division's pre-tax loss was RM3.82 million compared to RM4.01 million for the same quarter last year. However, there was an increase of RM0.78 million in finance costs resulting from the refinancing of a Renminbi loan previously held by Jilin Province Maxcourt Hotel Limited as explained in (ii) below. If the results were to be adjusted for this incremental finance cost, the division's pre-tax loss would reduce to RM2.26 million. The improvement then of RM1.75 million was mainly due to reasons as mentioned above.

**(ii) Hotel and Recreation Division**

The division did not generate any revenue for the current quarter since the hotel had already ceased operation. However, the division continued to receive office rental income of RM0.71 million for the current quarter for a portion of the ground and fifth floors of the building, which are still tenanted.

For the current quarter

The division recorded a pre-tax profit of RM0.23 million compared to a pre-tax loss of RM0.96 million for the same quarter last year. The improvement was mainly due to lower finance cost after repayment of a RMB36 million bank loan.

Eventhough this Renminbi loan was repaid, it was by way of a refinancing through a fresh RM26 million loan which carried an interest cost of RM0.78 million per quarter, which is recorded under Group finance costs. Taking this finance cost into consideration, the pre-tax loss of this division would be RM0.55 million, which is still a year-on-year improvement RM0.41 million on the back of a reversal of a provision for costs no longer required.



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

**1. Review of Performance (Cont'd)**

**(b) Segmental Results Commentary (Cont'd):**

**(iii) Property Investment and Management Division**

For the current quarter

The division recorded a revenue of RM1.55 million, a 12.43% decrease from the RM1.77 million generated during last year's corresponding quarter. The result is mainly due to lower management fee income from a project that had entered a new stage.

The division's pre-tax loss was RM1.66 million compared to a pre-tax loss of RM1.60 million for the same quarter last year. The result is mainly due to lower management fee income.

**(iv) Construction Division**

There is no comparative figure available as this is a new division which had commenced operations during the third quarter of the last financial year.

For the current quarter

The division recorded a revenue of RM5.41 million and a pre-tax profit of RM0.25 million.

**2. Comparison with Preceding Quarter's Results (Quarter 1, FYE 2019 vs Quarter 4, FYE 2018)**

	<b>Current Quarter ended 30 April 2018 RM'000</b>	<b>Immediate preceding Quarter ended 31 January 2018 RM'000</b>
Revenue	9,557	25,601
Loss before tax	(5,225)	(4,869)

The Group recorded a quarterly decrease of 62.66% in revenue to RM9.56 million from RM25.60 million. The reduction was mainly due the absence of revenue from sale of land.

The current quarter recorded a pre-tax loss of RM5.23 million compared to a pre-tax loss of RM4.87 million for the preceding quarter. The higher loss is due to lower net other operating income generated in current year quarter.

**3. Prospects**

The Group's joint venture projects are on-going. In addition, the Group had submitted its new development plans on various parcels of land, some of which have already been approved by the relevant authorities. The Group has started its build then sell projects which are being funded by cash flows from asset sales that are already locked in. However, the Board foresees a challenging environment ahead for the Group due to market conditions brought about by tough lending guidelines by Bank Negara Malaysia, amid a soft property market.

**4. Profit Forecast and Profit Guarantee**

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

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

**5. Income Tax Expense**

<u>Group</u>	<b>Current quarter ended 30/04/2018 RM'000</b>	<b>Current year period ended 30/04/2018 RM'000</b>
Income tax expenses	3	3

**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 are as follows:

	<b>Secured</b>		<b>Total RM'000</b>
	<b>Short term borrowing RM'000</b>	<b>Long term borrowing RM'000</b>	
<b>As at 31.04.2017</b>	29,217	69,864	99,081
Repayment	(3,229)	(12,750)	(15,979)
New loan	26,000	-	26,000
Reclassified from long term borrowing to short term borrowing	92	(92)	-
FRS139 financial instrument impact	-	750	750
<b>As at 31.04.2018</b>	<b>52,080</b>	<b>57,772</b>	<b>109,852</b>

The purpose of the new loan was to partially settle the liabilities and refinance a bank loan of the hotel and recreation division. The reduction in the total liabilities of this division can be seen under Note 9 on Segmental Information under "segment Liabilities"..

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

**8. Material Litigation**

Save as disclosed below, neither the Group and the Company 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 of Directors 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 the 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 wholly-owned subsidiary of WCE Holdings Bhd. (“WCE”). The property, valued at RM48.70 million, was part and parcel of 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 and 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 and on 22 August 2016 the Court of Appeal had dismissed the appeal with costs.

TTB had on 19 September 2016 filed a Notice of Motion for leave pursuant to Section 96 of the Courts of Judicature Act, 1964 to appeal to the Federal Court against part of the decision of the Court of Appeal given on 22 August 2016 in the Court of Appeal Civil Appeal No. B-02(W)-1890-11/2015 dismissing TTB and Continental Heights Development Sdn. Bhd.’s appeal against the Judgment dated 22 October 2015 of the High Court at Shah Alam. The Federal Court had on 2 March 2017 heard our Notice of Motion for leave to appeal to the Federal Court and the application for leave to appeal was dismissed with cost.

TTB has recourse to and will seek recovery of losses from Keuro Leasing Sdn. Bhd. and WCE. WCE and TTB are currently in negotiations to settle this matter.

- (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.

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

**8. Material Litigation (Cont'd)**

- (ii) The full trial of the Civil Suit commenced on 19, 23 and 24 January 2017 and continued to be partly heard on 19 and 20 June 2017, 1, 2 and 3 August 2017, 20 and 24 October 2017 and 27 and 28 November 2017. The Court further continued with the hearing on 18, 19 and 29 January 2018 and 9 and 12 February 2018 and 15 March 2018 and 5, 7, & 8 June 2018 for continued hearing and completed the full hearing on 25 June 2018. The Court shall deliver its decision after both parties have put in their written submission on 06 August 2018, reply on 27 August 2018. The Court further fixed 27 September 2018 for clarification by both parties before a date to be fixed by the Court to deliver the decision.

Based on our legal counsel's advice, this Civil Suit by UHSB is unlikely to succeed.

**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.

	<b>Current quarter ended 30 April 2018 RM'000</b>	<b>Current year period ended 30 April 2018 RM'000</b>
Weighted average number of ordinary shares in issue, excluding treasury shares	4,217,644	4,217,644
Loss from continuing operations attributable to owners of the Company	(5,219)	(5,219)
Loss from discontinuing operations attributable to owners of the Company	194	194
Loss attributable to owners of the Company	(5,024)	(5,024)

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

**10. Earnings Per Share (Cont'd)**

	<b>Current quarter ended 30 April 2018 RM'000</b>	<b>Current year period ended 30 April 2018 RM'000</b>
<b>Earnings per share ("EPS") (in sen)</b>		
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	(0.12)	(0.12)
Diluted	(0.12)	(0.12)
<b>Earnings per share from discontinued operations attributable to owners of parent (in sen)</b>		
Basic	0.00	0.00
Diluted	0.00	0.00

**11. Annual Audited Report**

The auditors' report on the financial statements of the Group for the financial year ended 31 January 2018 did not contain any qualification.

**12. 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 28 June 2018.

By order of the Board

Soo Kah Pik  
 Company Secretary