

Schedule A : Condensed Consolidated Statement of Comprehensive Income
For the financial period ended 30 September 2021

	Individual period		Cumulative period	
	Current quarter ended 30/09/2021	Preceding year quarter ended 30/09/2020	Current year period ended 30/09/2021	Preceding year period ended 30/09/2020
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	9,292	4,968	12,137	6,691
Cost of sales	(8,123)	(4,320)	(10,431)	(5,412)
Gross profit	1,169	648	1,706	1,279
Other operating income (Schedule A Note 1)	85	643	158	1,235
Administrative expenses	(2,397)	(2,535)	(3,904)	(5,286)
Authority, utilities and professional expenses	(1,077)	(715)	(1,196)	(1,052)
Other expenses (Schedule A Note 2)	(542)	(2,669)	(994)	(3,984)
Result from operating activities	(2,762)	(4,628)	(4,230)	(7,808)
Finance income (Schedule A Note 3)	1,154	953	2,297	2,127
Finance costs (Schedule A Note 4)	(5,957)	(5,305)	(11,440)	(10,776)
Loss before tax and share of results	(7,565)	(8,980)	(13,372)	(16,457)
Share of results of jointly controlled entities and associate companies	(2)	(12)	(3)	(5)
Loss before tax	(7,567)	(8,992)	(13,375)	(16,462)
Income tax expense	(20)	(1)	(32)	(8)
Loss from continuing operations, net of tax	(7,587)	(8,993)	(13,407)	(16,470)
Results from discontinued operations, net of tax	-	-	-	-
Loss for the period	(7,587)	(8,993)	(13,407)	(16,470)

Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)
For the financial period ended 30 September 2021

	Individual period		Cumulative period	
	Current quarter ended 30/09/2021	Preceding year quarter ended 30/09/2020	Current year period ended 30/09/2021	Preceding year period ended 30/09/2020
	RM'000	RM'000	RM'000	RM'000
Other comprehensive loss				
Exchange difference on translation of foreign assets	-	251	-	184
Total comprehensive loss for the period	(7,587)	(8,742)	(13,407)	(16,286)
Profit/(Loss) for the period attributable to:				
Owners of the Company				
- continuing operations	(7,556)	(8,873)	(13,352)	(16,212)
- discontinued operation	-	-	-	-
	(7,556)	(8,873)	(13,352)	(16,212)
Non-controlling Interests	(31)	(120)	(55)	(258)
	(7,587)	(8,993)	(13,407)	(16,470)
Total comprehensive profit/(loss) for the period attributable to:				
Owners of the Company				
- continuing operations	(7,556)	(8,566)	(13,352)	(15,986)
- discontinued operation	-	-	-	-
	(7,556)	(8,566)	(13,352)	(15,986)
Non-controlling Interests	(31)	(176)	(55)	(300)
	(7,587)	(8,742)	(13,407)	(16,286)
Loss per share from continuing operations attributable to owners of parent (in sen)				
Loss per share ("EPS") (in sen)				
Basic	(0.18)	(0.21)	(0.31)	(0.38)
Diluted	(0.18)	(0.21)	(0.31)	(0.38)

Schedule A : Condensed Consolidated Statement of Comprehensive Income (Cont'd)
For the financial period ended 30 September 2021

	Individual period		Cumulative period	
	Current quarter ended 30/09/2021	Preceding year quarter ended 30/09/2020	Current year period ended 30/09/2021	Preceding year period ended 30/09/2020
	RM'000	RM'000	RM'000	RM'000
NOTE :				
1) Included in the Other Operating Income:				
Reversal of provision for impairment of inventories	-	332	-	332
Reversal of provision for impairment of receivables no longer required	12	190	12	688
2) Included in the Other Expenses				
Amortisation and depreciation	(308)	(1,262)	(736)	(2,509)
Loss on disposal of investment in joint venture	-	(13)	-	(13)
3) Included in Finance Income				
Amortisation of financial instruments	1,152	948	2,295	2,121
4) Included in Finance Costs				
Amortisation of financial instruments	-	-	-	-
Borrowings	(5,957)	(5,305)	(11,440)	(10,776)

Notes:

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended March 31, 2021 and the accompanying explanatory notes attached to this interim financial report.

TALAM TRANSFORM BERHAD (192001000012) (1120 – H)
Financial Report for the financial period ended 30 September 2021
(These figures have not been audited)

Schedule B : Condensed Consolidated Statement of Financial Position
As at 30 September 2021

	Unaudited	Audited
	as at	As at
	30/09/2021	31/3/2021
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	761	874
Inventories	333,635	320,316
Investment properties	72,986	73,478
Interest in associates	18,410	18,413
Long term associate	115,509	114,146
Long term receivables	26,597	25,665
Total non-current assets	567,898	552,892
Current assets		
Inventories	49,516	49,829
Contract assets	25	1,437
Trade and other receivables	90,011	100,011
Amount owing by associates	419	517
Tax recoverable	190	191
Sinking funds held by trustees	4	4
Short term investment	69	68
Cash and bank balances	2,658	3,223
Total current assets	142,892	155,280
TOTAL ASSETS	710,791	708,172

Schedule B : Condensed Consolidated Statement of Financial Position (Cont'd)
As at 30 September 2021

	Unaudited as at 30/09/2021	Audited as at 31/3/2021
	RM'000	RM'000
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	859,086	859,086
Treasury shares	(493)	(493)
Reserves	(590,978)	(577,626)
Equity attributable to owners of the Company	267,615	280,967
Non-controlling interests	1,757	1,565
Total equity	269,372	282,532
Non-current liabilities		
Borrowings	73,313	72,488
Other long term payables	232,181	219,448
Total non-current liabilities	305,494	291,936
Current liabilities		
Provision for liability	731	731
Contract liabilities	4	4
Borrowings	117	114
Trade and other payables	135,046	132,838
Current tax liabilities	27	17
Total current liabilities	135,925	133,704
Total liabilities	441,419	425,640
TOTAL EQUITY AND LIABILITIES	710,791	708,172
Net assets per share attributable to Owners of the Company (RM)	0.06	0.07

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial report.

Schedule C : Condensed Consolidated Statement of Cash Flows
For the financial period ended 30 September 2021

	Current year period ended 30/09/2021	Preceding year period ended 30/09/2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(13,375)	(16,462)
Adjustments for:		
Depreciation:		
- property, plant and equipment	124	120
- investment properties	492	2,387
Amortisation of goodwill on consolidation	120	-
Gain through amortisation on financial assets	(2,295)	(2,121)
Reversal of impairment of inventories	-	(332)
Interest expenses	11,440	10,776
Interest income	(2)	(6)
Impairment of inventories	17	-
Impairment loss on receivables no longer required	-	(688)
Loss on disposal of investment in a joint venture	-	13
Share of results of joint ventures and associates	3	5
Operating loss before working capital changes	<u>(3,476)</u>	<u>(6,308)</u>
Changes in working capital:		
Inventories	794	132
Receivables	11,478	1,076
Payables	10,238	14,083
Cash generated from operations	<u>19,034</u>	<u>8,983</u>
Interest received	2	6
Income tax paid	(21)	(8)
Interest paid	(11,440)	(10,776)
Net cash generated from / (Used In) Operating Activities	<u>7,575</u>	<u>(1,795)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary	(9,056)	-
Proceeds from disposal of investment in a joint venture	-	290
Draw down from other investment	-	180
Purchase of property, plant and equipment	(11)	-
Net change in associates balances	98	-
Net (Used in)/cash generated from investing activities	<u>(8,969)</u>	<u>470</u>

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Financial Report for the financial period ended 30 September 2021
(These figures have not been audited)

Schedule C : Condensed Consolidated Statement of Cash Flows (Cont'd)
For the financial period ended 30 September 2021

	Current year period ended 30/09/2021 RM'000	Preceding year period ended 30/09/2020 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(650)	-
Repayment of lease liabilities	(56)	(54)
Drawdown of new loan	1,535	200
Changes in balances pledged as security	-	1,200
Net Cash Generated From Financing Activities	<u>829</u>	<u>1,346</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(565)	21
EFFECTS OF EXCHANGE DIFFERENCES	-	(173)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR	3,223	2,440
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD	<u>2,658</u>	<u>2,288</u>
Cash in hand and bank balances	2,607	2,288
Deposits with licensed banks	<u>51</u>	<u>45</u>
	2,658	2,333
Balances pledged as securities to licensed banks - HDA	-	(45)
	<u>2,658</u>	<u>2,288</u>

Notes:

The condensed consolidated statement of cash flow should be read in conjunction with the accompanying explanatory notes attached to this interim financial report.

TALAM TRANSFORM BERHAD (192001000012) (1120 – H)
Financial Report for the financial period ended 30 September 2021
(These figures have not been audited)

Schedule D : Condensed Consolidated Statement of Changes in Equity
For the financial period ended 30 September 2021

	Attributable to owners of the Company				Sub Total	Non- Controlling Interests	Total Equity
	← Non - Distributable →						
	Share Capital	Treasury Shares	Capital Reserves	Accumulated Losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2020	859,086	(493)	49,428	(546,286)	361,735	(7,423)	354,312
Changes in a subsidiary's ownership interest that do not result in a loss of control	-	-	-	(1,661)	(1,661)	1,661	-
Deconsolidation of a subsidiary	-	-	-	-	-	7,748	7,748
Total comprehensive loss for the financial period	-	-	(48,628)	(30,479)	(79,107)	(421)	(79,528)
As at 31 March 2021	859,086	(493)	800	(578,426)	280,967	1,565	282,532
Acquisition of a subsidiary	-	-	-	-	-	248	248
Total comprehensive loss for the financial period	-	-	-	(13,352)	(13,352)	(55)	(13,407)
As at 30 September 2021	859,086	(493)	800	(591,778)	267,615	1,757	269,372

Notes:

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to this interim financial report.

Schedule E : Significant Events and Transactions Pursuant to MFRS 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 period ended 31 March 2021 where applicable 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 period ended 31 March 2021.

(a) Adoption of new MFRS, amendments/improvements to MFRSs and new IC Interpretation (“IC Int”)

The Group and the Company have adopted the following amendments/improvements to MFRSs and new IC Int that are mandatory for the current financial year:

Amendments/Improvements to MFRSs

MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Error
MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above new MFRS, amendments/improvements to MFRSs and new IC Int 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.

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

2. Changes in Accounting Policies (Cont'd)

(b) New MFRS, and amendments/improvements to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRS, and amendments/improvements to MFRSs that have been issued, but yet to be effective:

<u>New MFRS</u>		Effective for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
 <u>Amendments/Improvements to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022 [^]
MFRS 3	Business Combinations	1 January 2023# 1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022 [^] 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 June 2020/ 1 January 2022 [^]
MFRS 101	Presentation of Financial Statements	1 January 2022/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022 [^]

[^] *The Annual Improvements to MFRS Standards 2018-2020*

[#] *Amendments as to the consequence of effective of MFRS 17 Insurance Contracts*

3. Seasonality or Cyclicity of Operations

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

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

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

Coronavirus outbreak

The Covid-19 Global Pandemic which was declared by the World Health Organisation on 11 March 2020 is still on-going in the new financial year. Since 18 March 2020, the Malaysian Government has been imposing various phases of movement control orders (“MCOs”) to curb the spread of the Covid-19 outbreak in Malaysia, which had resulted in travel restrictions, prolonged lockdowns and other precautionary measures.

The Covid-19 outbreak has brought significant economic uncertainties to Malaysia where the Group primarily operates. The Group continuously assesses the overall impact of the situation on the Group’s operations, including the recoverability of the carrying value of assets and liabilities.

Notwithstanding the difficult and disruptive MCO environment, the Group continues to actively pursue new opportunities to develop, both, new and existing businesses, seeking out new partners and investors, as well as striving to implement cost optimisation efforts to ensure that the Group remains competitive in, what is expected to be, a challenging post-MCO business environment and endeavour to deliver sustainable growth in the long term.

There were no unusual items that have material effect on the assets, liabilities, equity, net income, or cash flows for the current period other than what has already been disclosed in this report.

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 was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current quarter under review.

7. Dividend

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

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

8. Segmental Information

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

	Quarter		Year-to-date	
	ended 30 September 2021	2020	ended 30 September 2021	2020
<u>Revenue</u>	RM'000	RM'000	RM'000	RM'000
Property Development	2,129	345	2,329	567
Property Investment and Management	904	1,611	2,019	3,112
Construction	6,259	3,012	7,789	3,012
Agriculture	-	-	-	-
	<u>9,292</u>	<u>4,968</u>	<u>12,137</u>	<u>6,691</u>
<u>Profit/(Loss) before tax</u>				
Property Development	(6,952)	(8,102)	(12,601)	(14,472)
Property Investment and Management	(734)	(1,008)	(858)	(2,108)
Construction	219	118	265	118
Agriculture	(101)	-	(181)	-
	<u>(7,567)</u>	<u>(8,992)</u>	<u>(13,375)</u>	<u>(16,462)</u>
<u>Segment assets</u>				
Property Development			559,153	601,603
Property Investment and Management			145,307	172,969
Construction			6,124	3,715
Agriculture			207	-
			<u>710,791</u>	<u>778,287</u>
<u>Segment liabilities</u>				
Property Development			385,110	386,834
Property Investment and Management			47,016	48,127
Construction			8,646	5,300
Agriculture			647	-
			<u>441,419</u>	<u>440,261</u>

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

9. Changes in the Composition of the Group

During the previous quarter, a debt owing by Pintar Arif Sdn. Bhd. amounting to RM9,525,000 was capitalised into 9,525,000 ordinary shares, thus enabling this company to become a 97.4% subsidiary of the Group on 28 May 2021.

10. Contingent Liabilities and Assets

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

11. Events After the Reporting Period

There was no material event subsequent to the current year period other than as described in (4) above.

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 RM9.29 million, a 47% increase over the same period last year.

Group gross profit from operations was RM1.17 million compared to RM0.65 million last year.

Pre-tax loss improved to RM7.56 million against RM8.98 million a year ago.

There was significant disruption to business operating activities as most of the quarter was spent in various phases of Movement Control Orders (MCO), with numerous Standard Operating Procedures (“SOPs”) to be strictly adhered to. Our offices at Menara Maxisegar and various project sites were only able to reopen from lockdown on 1st September after having obtained MITI approval. With a staff vaccination rate of 60% then, only 80% staff were allowed to be present in the office at any one time.

(b) Segmental Results Commentary:

(i) Property Development Division

For the current quarter

The division recorded a revenue of RM2.13 million from sales of stock and land compared to RM0.28 million for the corresponding quarter last year. Gross profit was RM1.12 million compared to a loss of RM0.16 million last year. As a result of the higher gross profit, pre-tax loss reduced to RM6.95 million from the RM8.10 million generated a year ago.

For the current year-to-date

The division recorded a revenue of RM2.33 million with a gross profit of RM1.32 million and pre-tax loss of RM12.60 million. For the same period last year, revenue was RM0.57 million with a pre-tax loss of RM14.47 million

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)

(ii) Property Investment and Management Division

For the current quarter

The division recorded revenue of RM0.90 million, a 43.9% drop from the same quarter last year, mainly due to the loss of rental income contribution from Jilin Province Maxcourt Hotel Ltd. (“JPHML”) following its liquidation in November 2020. Nevertheless, pre-tax loss was RM0.73 million, lower than the RM1.01 million last year due to exclusion of JPHML’s expenses, in particular the quarterly depreciation charge of RM0.96 million in respect of its assets.

The Covid-19 pandemic and the series of MCOs had adversely impacted the businesses of many of the Group’s tenants in Menara Maxisegar and Pandan Kapital Shopping Complex. Although the Group had formulated rental assistance plans to assist affected tenants in the form of rebates and/or deferment, a number of tenants were still unable to sustain and had to vacate the rented premises.

For the current year-to-date

The division recorded a revenue of RM2.02 million with pre-tax loss of RM0.86 million. For the same period last year, revenue was RM3.11 million with a pre-tax loss of RM2.11 million. The reasons for such results are same as explained above.

(iii) Construction Division

For the current quarter

With the reopening of construction sites from lockdowns, the Group was able to resume its construction operations on 1st September 2021, albeit with 60% workforce capacity. Construction revenue recovered to RM6.26 million compared to RM3.01 million year-on-year, with pre-tax profit of RM0.22 million against RM0.12 million.

For the current year-to-date

The division recorded a revenue of RM7.79 million with pre-tax profit of RM0.27 million compared to RM3.01 million and RM0.12 million respectively for the same period last year.

(iv) Agriculture Division

For the current quarter

The division recorded a pre-tax loss of RM0.10 million for the current quarter, arising from seeds and other raw materials costs, professional fees, regulatory expenses, salaries and other maintenance costs. It did not manage to post any revenue as it is awaiting approval from the relevant authorities for our infrastructure and the green houses building plans, which had been delayed due to the lockdowns. There was no corresponding period last year as this division only commenced operation during the third quarter of financial year 2021.

For the current year-to-date

The division recorded no revenue while pre-tax loss amounted to RM0.18 million.

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 2, FYE 2022 vs Quarter 1, FYE 2022)

	Current Quarter ended 30 September 2021 RM'000	Immediate preceding Quarter ended 30 June 2021 RM'000
Revenue	9,292	2,845
Loss before tax	(7,567)	(5,808)

The Group recorded a 226.6% quarterly increase in revenue from RM2.84 million to RM9.29 million. Construction revenue improved from RM1.53 million to RM6.26 million while land and stock sales rose from RM0.20 million to RM2.13 million.

The current quarter recorded a pre-tax loss of RM7.57 million against a pre-tax loss of RM5.81million for the immediate preceding quarter. The higher loss is due to increase in payments and accruals for quit rents, assessments, utilities, insurance, finance charges and professional fees.

3. Prospects

The Group's joint venture projects are on-going albeit at a slow pace due to the soft property market. In addition, the Group had submitted its new development plans on various parcels of land, some of which had already been approved by the relevant authorities. However, the Group is cautiously reassessing the take up rate due to the soft market. The Group's first "Build then Sell" project was completed and is in the final stages of undergoing inspection by authorities in order to obtain the Certificate of Completion and Compliance (CCC). Unfortunately, it was again delayed due to the reintroduction of MCOs nationwide and is now only expected to be obtained by fourth quarter of 2021. Sales will be launched once CCC is obtained. However, the Board foresees a challenging environment ahead for the Group due to market conditions caused by the economic uncertainties brought about by the Covid-19 pandemic, coupled with the already weakened state of the property market which had existed since end of 2019.

The Group is now diversifying into agriculture businesses and has, during the previous year, entered into a joint venture to carry out the business of developing large-scale, sustainable, modern, commercial melon farming or any crops on part of our undeveloped Bukit Beruntung land-bank, to produce premium quality, safe foods and to market the products to, both, the local and international markets. However, the commencement of the infrastructure works and construction of green houses were delayed by the late approval from the relevant authorities due to inter-district travel restrictions imposed since the beginning of the year and exacerbated by the MCO introduced in June 21.

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>	Current quarter ended 30/09/2021 RM'000	Current year period ended 30/09/2021 RM'000
Income tax expense	(20)	(32)
	<u>(20)</u>	<u>(32)</u>

6. Status of Corporate Proposals

There are 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:

	Secured		Total RM'000
	Short term RM'000	Long term RM'000	
As at 31.03.2021	113	72,488	72,601
Repayment	(56)	(650)	(706)
New loan	-	1,535	1,535
Reclassified from long term borrowing to short term borrowing	60	(60)	-
As at 30.09.2021	<u>117</u>	<u>73,313</u>	<u>73,430</u>

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 nor 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:

A Writ of Summons and the Statement of Claim was filed in the Kuala Lumpur High Court Civil Suit No. 22NCC-327-10/2015 (“Civil Suit”) 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 a total alleged claim of 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.

The full trial of the Civil Suit commenced on 19, 23 and 24 January 2017 and continued to be heard on 19 and 20 June 2017, 1, 2 and 3 August 2017, 20 and 24 October 2017, 27 and 28 November 2017, 18, 19 and 29 January 2018, 9 and 12 February 2018, 15 March 2018 and 5, 7, and 8 June 2018. The full hearing was completed on 25 June 2018. Both parties had put in their written submissions on 20 August 2018 and the reply on 12 September 2018. The Court had on 10 January 2019 and 12 to 14 June 2019 heard oral submissions and fixed 29 August 2019 to deliver its decision which was then deferred to 29 January 2020 and subsequently to 6 March 2020.

The High Court had on 6 March 2020 delivered its decision and dismissed UHSB’s Civil Suit and also TTB’s Counter Claim with no order as to costs. UHSB’s Solicitors had on 14 May 2020 served a Notice of Appeal dated 1 April 2020 to appeal to the Court of Appeal against part of the decision of the High Court dismissing UHSB’s High Court Civil Suit. The date for the hearing of the Appeal is not fixed.

9. Proposed dividend

No dividend has been declared for the current quarter.

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

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 September 2021 RM'000	Current year period ended 30 September 2021 RM'000
Weighted average number of ordinary shares in issue, excluding treasury shares	4,292,644	4,292,644
Loss from continuing operations attributable to owners of the Company	(7,556)	(13,352)
Loss from discontinuing operations attributable to owners of the Company	-	-
Loss attributable to owners of the Company	<u>(7,556)</u>	<u>(13,352)</u>
Loss per share ("EPS") (in sen)		
Basic	<u>(0.18)</u>	<u>(0.31)</u>
Diluted	<u>(0.18)</u>	<u>(0.31)</u>
Loss per share from continuing operations attributable to owners of parent (in sen)		
Basic	<u>(0.18)</u>	<u>(0.31)</u>
Diluted	<u>(0.18)</u>	<u>(0.31)</u>
Loss per share from discontinued operations attributable to owners of parent (in sen)		
Basic	<u>-</u>	<u>-</u>
Diluted	<u>-</u>	<u>-</u>

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

11. Annual Audited Report

The Company's external auditor, Messrs Baker Tilly Monteiro Heng PLT, has issued a qualified audit opinion for the audited financial statements for the financial period ended 31 March 2021 on the 2 following bases that :-

- (i) They are unable to determine whether any expected credit loss was necessary in accordance to MFRS 9, in respect of an amount of RM29.46 million owing by an associate of the Group as at 31 March 2021, in relation to an advance for a property development project. This matter has remained unresolved since the preceding financial year and had formed the basis for a qualified opinion on the financial statements of the Group and the Company for the financial year ended 31 March 2020.

The Board wishes to clarify that this associate has a joint venture project with the Group for 100 units of superlink houses in Ulu Kelang and the Group is confident that this debt will be fully recoverable from the associate once they implement their project to coincide with the recovery of the country's economy from the global Covid-19 pandemic and when the property prices have better value, especially since the development land is located in a choice location. As a result of the Covid-19 pandemic, there was minimal work progress at the site during the financial year ended 31 March 2021 due to multiple lockdowns, frequent site-closures, workers' Covid infections and vaccination requirements and other compliance with government issued standard operating procedures. The board of the associate company had presented the feasibility study and the Group has assessed the recoverability based on the feasibility study presented.

- (ii) They are unable to determine whether any expected credit loss was necessary in accordance to MFRS 9, in respect of an other receivable amount of RM67.63 million owing by Jilin Province Maxcourt Hotel Limited ("JPMHL"), a subsidiary of the Group which is under liquidation as at 31 March 2021.

The Board was initially confident that the receivable amount would be fully recoverable based on the valuation of JPMHL's property conducted by the China administrator, as previously reported. However, the Evergrande Crisis that had recently unfolded in China has given rise to new concerns as to the contagion effect and economic fallout of this crisis on China's property market.

Subsequent to the failure to get a bidder at the first auction, JPMHL's 15% shareholder, Jilin Provincial Expressway Group Company Limited ("JPEGCL") had proposed to TTB its intention to implement a debt restructuring exercise to safeguard the legitimate rights and interest of both parties. Since this proposal will provide certainty as to the amount of proceeds in the current volatile and high risk China property market and also accelerate the early timing of receiving the cash, the Board has decided to accept this offer to dispose its 85% equity interest in JPMHL and assign its creditor's rights for a total cash consideration sum of RMB72.74 million, equivalent to approximately RM46.70 million. The full details of this proposed disposal were announced to Bursa Malaysia on 17th November 2021.

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 26 November 2021.

By order of the Board

Soo Kah Pik
Company Secretary