

**TADMAX RESOURCES BERHAD (Company No. 8184-W)**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2017**  
(The figures have not been audited)

	1st Quarter 3 months ended		Cumulative to Date 3 months ended	
	31/03/2017 RM'000	31/03/2016 RM'000	31/03/2017 RM'000	31/03/2016 RM'000
<b>Continuing Operations</b>				
Revenue	12,501	5,497	12,501	5,497
Cost of sales	<u>(11,379)</u>	<u>(4,831)</u>	<u>(11,379)</u>	<u>(4,831)</u>
Gross profit	1,122	666	1,122	666
Other operating income/(expenses)	126	66	126	66
Operating expenses	<u>(4,770)</u>	<u>(3,612)</u>	<u>(4,770)</u>	<u>(3,612)</u>
Operating (loss) /profit	<u>(3,522)</u>	<u>(2,880)</u>	<u>(3,522)</u>	<u>(2,880)</u>
Finance costs	<u>(171)</u>	<u>(43)</u>	<u>(171)</u>	<u>(43)</u>
<b>(Loss) / Profit before taxation</b>	<u>(3,693)</u>	<u>(2,923)</u>	<u>(3,693)</u>	<u>(2,923)</u>
Taxation	27	(149)	27	(149)
<b>Net (loss) /profit from continuing operations</b>	<u>(3,666)</u>	<u>(3,072)</u>	<u>(3,666)</u>	<u>(3,072)</u>
Discontinuing operations	-	-	-	-
<b>Net (loss)/profit for the financial period</b>	<u>(3,666)</u>	<u>(3,072)</u>	<u>(3,666)</u>	<u>(3,072)</u>
<b>Other comprehensive income/(loss), net of tax</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation	97	185	97	185
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Revaluation of property	56,611	-	56,611	-
<b>Total comprehensive profit/(loss) for the period</b>	<u><u>53,042</u></u>	<u><u>(2,887)</u></u>	<u><u>53,042</u></u>	<u><u>(2,887)</u></u>
<b>Net (loss)/profit attributable to :</b>				
Owners of the Company	(3,620)	(2,994)	(3,620)	(2,994)
Non-controlling interests	<u>(46)</u>	<u>(78)</u>	<u>(46)</u>	<u>(78)</u>
	<u>(3,666)</u>	<u>(3,072)</u>	<u>(3,666)</u>	<u>(3,072)</u>
<b>Total comprehensive (loss)/profit attributable to:</b>				
Owners of the Company	53,088	(2,809)	53,088	(2,809)
Non-controlling interests	<u>(46)</u>	<u>(78)</u>	<u>(46)</u>	<u>(78)</u>
	<u>53,042</u>	<u>(2,887)</u>	<u>53,042</u>	<u>(2,887)</u>
Basic earnings/(loss) per ordinary share (sen)				
- from continuing operations	(0.75)	(0.69)	(0.75)	(0.69)
- from discontinuing operations	-	-	-	-
	<u>(0.75)</u>	<u>(0.69)</u>	<u>(0.75)</u>	<u>(0.69)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**TADMAX RESOURCES BERHAD (Company No. 8184-W)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2017**

	<b>(UNAUDITED)</b> <b>As At End</b> <b>Of Current</b> <b>Quarter</b> <b>31/03/2017</b> <b>RM'000</b>	<b>(AUDITED)</b> <b>As At Preceding</b> <b>Financial</b> <b>Year End</b> <b>31/12/2016</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	115,361	41,251
Prepaid land lease payments	2,236	2,259
Prepaid land lease payments with cultivation rights	58,650	59,143
Investment in joint venture	14	14
Other investment	50	50
Timber concession rights	218,000	218,000
Land and development expenditure	9,286	8,165
Deferred tax assets	539	589
	404,136	329,471
<b>Current assets</b>		
Inventories	410	1,049
Land and development expenditure	93,143	90,841
Progress billing	7,353	1,427
Trade receivables	4,973	8,019
Other receivables, deposits and prepayments	31,385	33,732
Tax recoverable	1,067	1,067
Deposits placed with licensed banks	40	30
Cash and bank balances	10,649	9,611
	149,020	145,776
<b>TOTAL ASSETS</b>	<b>553,156</b>	<b>475,247</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	244,854	244,854
Share premium	1,367	1,367
Share option reserve	352	352
Treasury shares	(155)	(155)
Reserves:		
- translation reserve	506	409
- Revaluation reserve	56,611	-
- (Accumulated losses)/Retained profits	(17)	3,603
Shareholders' funds	303,518	250,430
Non-controlling interests	27,863	27,909
<b>Total equity</b>	331,381	278,339

**TADMAX RESOURCES BERHAD (Company No. 8184-W)**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2017 - continued**

	(UNAUDITED) As At End Of Current Quarter 31/03/2017 RM'000	(AUDITED) As At Preceding Financial Year End 31/12/2016 RM'000
<b>Non-current liabilities</b>		
Deferred tax liabilities	100,748	82,999
Hire purchase liabilities	787	998
Bank borrowings	22,227	15,675
	123,762	99,672
<b>Current liabilities</b>		
Trade payables	9,892	18,079
Other payables, deposits and accruals	53,594	49,095
Amount due to customers on contract	-	788
Amount due to directors	5,993	2,792
Hire purchase liabilities	842	869
Bank borrowings	27,527	25,457
Tax payables	165	156
	98,013	97,236
<b>TOTAL LIABILITIES</b>	221,775	196,908
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>553,156</b>	<b>475,247</b>
	-	-
<b>Net assets per share attributable to ordinary equity holders of the Company (sen)</b>	<b>62</b>	<b>51</b>

Note: Net assets per share is calculated based on total assets minus total liabilities divided by the total number of ordinary shares in issue.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**TADMAX RESOURCES BERHAD (Company No. 8184-W)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

(The figures have not been audited)

	Attributable to owners of the Company					Retained profits/ (Accumulated Losses)	Total	Non-controlling Interests	Total Equity
	Share Capital RM'000	← Share Premium RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Other Reserves RM'000				
<b><u>3 months ended 31 March 2017</u></b>									
As at 1 January 2017	244,854	1,367	(155)	352	409	3,603	250,430	27,909	278,339
Total comprehensive loss for the period	-	-	-	-	-	(3,620)	(3,620)	(46)	(3,666)
Revaluation of property	-	-	-	-	56,611	-	56,611	-	56,611
Exchange differences on translation of foreign entities	-	-	-	-	97	-	97	-	97
As at 31 March 2017	244,854	1,367	(155)	352	57,117	(17)	303,518	27,863	331,381
<b><u>3 months ended 31 March 2016</u></b>									
As at 1 January 2016	222,616	1,367	(155)	-	866	39,609	264,303	28,179	292,482
Total comprehensive loss for the period	-	-	-	-	-	(2,994)	(2,994)	(78)	(3,072)
Equity interests of non-controlling interest in a new subsidiary to the Group	-	-	-	-	-	-	-	450	450
Exchange differences on translation of foreign entities	-	-	-	-	185	-	185	-	185
As at 31 March 2016	222,616	1,367	(155)	-	1,051	36,615	261,494	28,551	290,045

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**TADMAX RESOURCES BERHAD (Company No. 8184-W)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**  
(The figures have not been audited)

	<b>CUMULATIVE QUARTER</b>	
	<b>Current Quarter</b>	<b>Preceding Year Corresponding Quarter</b>
	<b>31/03/2017</b>	<b>31/03/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(3,693)	(2,923)
<u>Adjustments for non-cash items:</u>		
Amortisation of prepaid land lease payments:	23	23
Amortisation of prepaid land lease payments with cultivation rights	493	493
Depreciation	467	326
Interest expense	171	43
Interest income	(17)	(17)
Operating loss before working capital changes	(2,556)	(2,040)
<u>Changes in working capital:</u>		
Inventories	638	-
Progress Billing	(5,925)	-
Contract customers	(787)	(948)
Land and Development expenditure	(2,655)	96
Receivables	5,394	3,043
Payables	(3,689)	(4,046)
Cash generated from/(used in) operations	(9,580)	(3,895)
Interest received	17	17
Interest paid	(939)	(43)
Net of tax paid	(44)	-
<b>Net cash used in operating activities</b>	(10,546)	(3,921)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(89)	(49)
Proceeds from disposal of plant & equipment	-	75
Subscription of shares in a new subsidiary, net of cash and cash equivalent	-	18
<b>Net cash (used in)/from investing activities</b>	(89)	44
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances from/(Repayment to) directors	3,200	(148)
Drawn down of bank borrowings	13,958	21,756
Repayment of bank borrowings	(5,336)	-
Repayment of hire purchase liabilities	(238)	(162)
<b>Net cash from financing activities</b>	11,584	21,446
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	949	17,569
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	99	270
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	9,611	5,615
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>10,659</b>	<b>23,454</b>
	-	-

**TADMAX RESOURCES BERHAD (Company No. 8184-W)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017 - continued**  
(The figures have not been audited)

Cash and cash equivalents at the end of the financial period comprise the following:

	<b>As at</b>	<b>As at</b>
	<b>31/03/2017</b>	<b>31/03/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits placement with licensed banks	40	19,830
Cash and bank balances	10,649	3,654
	<u>10,689</u>	<u>23,484</u>
Less: Deposit pledged with bank as security for banking facilities	(30)	(30)
	<u><b>10,659</b></u>	<u><b>23,454</b></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.)

**TADMAX RESOURCES BERHAD (8184-W)**  
**(Incorporated in Malaysia)**

**Notes to the Condensed Consolidated Interim Financial Statements**  
**For the quarter ended 31 March 2017**

**1. Basis of Preparation and Accounting Policies**

The interim financial statements have been prepared under the historical cost convention, except for the valuation of timber concession rights, leasehold land & buildings and certain financial assets and liabilities that are stated at fair value.

For the quarter ended 31 March 2017, the Company has undertaken a revaluation of the Group's property situated at Pulau Indah, Klang, Selangor Darul Ehsan as reflected under Property, Plant and Equipment. The purpose of the revaluation is to reflect the latest market value of the non-current assets of the Group in the Financial Statements of the Group as this property will be utilized for the Group's power plant business as disclosed in further details hereinbelow under Note 19(B). The revaluation has resulted in a net revaluation surplus of RM56.6 million and the same has been recognized directly in equity as revaluation surplus and appearing in this Financial Statements of the current reporting quarter.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysia Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2016.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2016, except for the mandatory adoption of the new MFRSs, amendments/improvements to MFRSs and New IC interpretations ("IC Int.") that have been issued by the Malaysian Accounting Standards Board ("MASB") which take effects on and/or after 1 January 2016.

The adoption of the amendments/improvements to MFRSs and new IC Int. do not have significant impact on the financial statements of the Group upon their initial application.

**2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report of the annual financial statements of the Group for the financial year ended 31 December 2016 was not subject to any qualification.

**3. Seasonal or Cyclical Factors**

The business of the Group was not affected by any significant seasonal or cyclical factors during the quarter under review.

**4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial quarter under review except as disclosed.

**5. Material Changes in Estimates**

There were no significant changes made in the estimates of amounts reported in prior financial years.

**6. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during current quarter under review.

**7. Dividends Paid**

There was no dividend paid during the current quarter ended 31 March 2017 (31 March 2016: Nil).

**8. Segmental Reporting**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. Segmental information is presented in respect of the Group's business segment as follow:

Business Activity	Current Quarter 3 months ended				Cumulative Quarter 3 months ended			
	31/03/2017		31/03/2016		31/03/2017		31/03/2016	
	Profit/(Loss)		Profit/(Loss)		Profit/(Loss)		Profit/(Loss)	
	Revenue	Before Taxation	Revenue	Before Taxation	Revenue	Before Taxation	Revenue	Before Taxation
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
• Property	10,013	(698)	3,104	(423)	10,013	(698)	3,104	(423)
• Industrial supplies	2,489	244	2,393	131	2,489	244	2,393	131
• Investment holding	-	(2,518)	-	(2,036)	-	(2,518)	-	(2,036)
• Others	-	(550)	-	(552)	-	(550)	-	(552)
	<b>12,501</b>	<b>(3,522)</b>	<b>5,497</b>	<b>(2,880)</b>	<b>12,501</b>	<b>(3,522)</b>	<b>5,497</b>	<b>(2,880)</b>
Finance costs	-	(171)	-	(43)	-	(171)	-	(43)
	<b>12,501</b>	<b>(3,693)</b>	<b>5,497</b>	<b>(2,923)</b>	<b>12,501</b>	<b>(3,693)</b>	<b>5,497</b>	<b>(2,923)</b>

**9. Carrying Amount of Revalued Assets**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 December 2016 except for the revaluation of its property situated at Pulau Indah, Klang, Selangor Darul Ehsan as disclosed under Note 1 hereinabove.



**10. Subsequent Material Events**

There were no material events subsequent to the end of the current financial quarter under review to the date of announcement which were likely to substantially affect the results and the operations of the Group other than the progress of the Corporate Proposals as disclosed hereinbelow under Note 19.

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

There were no changes in the composition of the Group for the current financial quarter under review.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no additional contingent liabilities or contingent assets since 31 December 2016 till the date of announcement of this quarterly report.

**13. Capital Commitments**

The authorised capital commitments not provided for in the interim financial statements as at 31 March 2017 comprise as below :-

	RM'000
Capital expenditure commitments not provided for	
- Authorised and contracted for	8,928
- Authorised and not contracted for	14,676
	<u>23,604</u>

**14. Significant Related Party Transactions**

There are no significant related party transactions in the current quarter under review.

## Additional Explanatory Notes in compliance with Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### 15. Review of Performance

The performance of the Group by operating segments are analysed below:

in RM'000	Current Quarter		Inc/(Dec) %	Preceding Quarter	Inc/(Dec) %	Cumulative Quarter		Inc/(Dec) %
	31/3/2017	31/3/2016				31/3/2017	31/3/2016	
<b>Revenue</b>								
• Property	10,013	3,104	223%	9,745	3%	10,013	3,104	223%
• Industrial supplies	2,489	2,393	4%	3,879	-36%	2,489	2,393	4%
	<b>12,501</b>	<b>5,497</b>	<b>127%</b>	<b>13,624</b>	<b>-8%</b>	<b>12,501</b>	<b>5,497</b>	<b>127%</b>
<b>Profit/(Loss) before tax</b>								
• Property	(698)	(423)	65%	(1,988)	-65%	(698)	(423)	65%
• Industrial supplies	244	131	86%	471	-48%	244	131	86%
• Investment holding	(2,518)	(2,036)	24%	(1,988)	27%	(2,518)	(2,036)	24%
• Others	(550)	(552)	0%	(422)	30%	(550)	(552)	0%
	<b>(3,522)</b>	<b>(2,880)</b>	<b>22%</b>	<b>(3,927)</b>	<b>-10%</b>	<b>(3,522)</b>	<b>(2,880)</b>	<b>22%</b>
Finance costs	(171)	(43)	298%	(37)	362%	(171)	(43)	298%
	<b>(3,693)</b>	<b>(2,923)</b>	<b>26%</b>	<b>(3,964)</b>	<b>-7%</b>	<b>(3,693)</b>	<b>(2,923)</b>	<b>26%</b>

#### Review on Performance - Current Quarter compared to Corresponding Quarter

The higher percentage completion of Phase 1 property development project in Ganggarak, Labuan FT coupled with the revenue recognition from Phase 2 since 2nd quarter of 2016, contributed to the three-fold increase in revenue compared to the corresponding preceding year quarter. However, the Group recorded a 26% higher loss before tax due mainly to expenses incurred in the preparation of the launching of the sale of Mizumi Residences, the Group's property development project in Taman Metropolitan Kepong. Recognition of Revenue from Mizumi Residences will commence in the 2nd quarter of 2017. In addition, start up expenditure incurred by the new business segment, Energy division, contributed to the loss as reflected under "Investment holding".

The total comprehensive profit of RM53.0 million was registered for the Quarter ended 31 March 2017 as appearing in the Condensed Consolidated Statement of Comprehensive Income hereinbefore. The significant increase in the total comprehensive profit was due solely to the recognition of revaluation surplus of RM56.6 million (as explained under Note 1 hereinabove) during the quarter under review.

#### Review on Performance - Current Quarter compared to Preceding Quarter

Continuing from the momentum of the last quarter, the Revenue from the property development was the main contributor to the Revenue of the Group. The higher losses recorded for the investment holding segment was mainly due the start up expenditure incurred by the new business segment, Energy division. The profit from Industrial Supplies was lower as compared to the preceding Quarter due to the lower Revenue in the current quarter which in turn was due mainly to the festive break.

**16. Prospects**

The prospects for the Group will be supported by the overall growth in demand for residential properties, where the shrinking size of households, combined with continued growth in incomes and population, as well as rapid urbanisation, are expected to remain as important drivers of the overall demand for residential properties, especially in major urban areas. We expect prices of residential properties in “good locations” would still hold and the demand for affordable homes would increase in 2017. The Group has launched its property development project known as MIZUMI RESIDENCES in Taman Metropolitan, Kepong Wilayah Persekutuan Kuala Lumpur and have seen encouraging responses. As of the end of the 1<sup>st</sup> Quarter, approximately 80% of the available units have been booked for the two blocks that have been made available to the market. This newly launched project will be expected to contribute positively to the earnings of the Group for the financial year 2017 and onwards.

The Company is presently undertaking a Proposed Rights Issue with Warrants which will provide the Group with additional cash flow for the Group’s working capital requirements. The Proposed Rights Issue with Warrants was approved by the shareholders of the Company during the Extraordinary General Meeting held on 16 May 2017 and is expected to complete in the third quarter of 2017.

Based on the above, the Group is confident of achieving improved financial performance in the coming financial year ending 31 December 2017 vis-à-vis that of the previous year.

**17. Profit Forecast and Profit Guarantee**

There is no profit forecast and profit guarantee that is applicable to the Group.

**18. Taxation**

Taxation comprises the following:

	<b>Current Quarter (3 months ended)</b>		<b>Cumulative Quarter (3 months ended)</b>	
	<b>31/03/2017 RM’000</b>	<b>31/03/2016 RM’000</b>	<b>31/03/2017 RM’000</b>	<b>31/03/2016 RM’000</b>
Current tax:				
Malaysian income tax	53	-	53	-
		-		-
Under/ (Over) provision of Malaysian income tax in prior years	-	-	-	-
		-		-
Deferred tax	(80)		(80)	
Total income tax expense	<u>(27)</u>	<u>149</u>	<u>(27)</u>	<u>149</u>

Included in the income tax figure for the quarter ended 31 March 2017 are the net adjustment for deferred tax charges in respect of amortization of prepaid land lease payment with cultivation rights, prepaid land lease payment and temporary timing difference.

## **19. Corporate Proposals**

### Status of Corporate Proposals Announced but Not Completed

#### (A) Proposed Establishment of Joint Venture

On 3 August 2012, the Company had entered into a conditional Joint Venture Agreements (“JV Agreement”) with Bumimas Raya Sdn Bhd (“BRSB”), Pacific Inter-Link Sdn Bhd (“PIL”) Yakin Dijaya Sdn. Bhd (“YDSB”) and Al Salam Bank Bahrain (“ASBB”) for the establishment of a proposed joint venture company, namely Tulen Jayamas Sdn. Bhd (“TJSB” or “JV Company”) for the construction of an Integrated Timber Complex (‘ITC’) at District of Jair and District of Mandobo, Boven Digoel Regency, Papua Province, Republic of Indonesia ("Subject Properties") and on completion of the ITC, undertaking the business of processing timber logs extracted from the Subject Properties into plywood, sawn timber, wood chips and other timber products as TJSB’s Board may determine from time to time (“Project”).

Pursuant to the terms and conditions of the JV Agreement, the JV Company has on 19 October 2012 increased its paid up share capital from RM2 to RM100,000 and Company’s share of the allotment was 14,000 ordinary shares of RM1.00 each, equivalent to 14% equity interest in TJSB.

All the parties to the JV Company are presently working towards fulfilment of the conditions precedent set out in the JV Agreement. The conditions precedent comprise:

- (i) Entry of a formal agreement by the relevant parties having the requisite rights over the Subject Properties with BRSB for the extraction of timber over the Subject Properties; and
- (ii) Entry of a formal agreement by the relevant parties having the requisite rights over the Subject Properties with BRSB for land clearing of the Subject Properties suitable for cultivation of oil palm on mutually agreed terms in accordance with the market practice and market rate.

On 25 May 2017, the Company has disposed off its entire 14% equity interests in TJSB for a sum of RM14,000 to one of the existing shareholders of TJSB. Consequently, with this disposal, the Company will no longer be a party to the JV Company and be bound by the JV Agreement.

#### (B) Letter of Award for the Development of 1,000MW – 1,200MW Combined Cycle Gas-Fired Power Plant in Pulau Indah

On 3 August 2016, the Company announced that it has received a Letter of Award dated 2 August 2016 from the Government of Malaysia, through the Energy Commission (“EC”) for the development of a new 1,000 MW combined cycle gas-fired power plant which will be situated on the Group’s existing land in Pulau Indah, Selangor Darul Ehsan (“the Project”). On 14 October 2016, the EC had approved the Company’s application to increase the capacity of the Project to 1,000MW - 1,200 MW.

The Letter of Award is subject to various conditions including finalisation of the terms of the agreement relating to the Project with relevant parties and further subject to changes arising from negotiations.

None of the directors and/or major shareholders of the Company and/or persons connected to the directors and/or major shareholders of the Company have any interest, direct or indirect, in the Project.

The Company will release the appropriate announcement as and when there are material developments in relation to the Project.

*(C) Proposed Private Placement*

On 15 November 2016, the Company announced that it proposed to undertake the Proposed Private Placement in accordance with section 132D of the Companies Act, 1965, entailing the issuance of up to 49,850,300 new ordinary shares of held in Tadmax (“Tadmax Share(s)” or “Share(s)”) (“Placement Shares”), representing approximately 10% of the issued and paid-up share capital of the Company assuming all Treasury Shares held are resold and the full exercise of all of the outstanding 8,796,000 ESOS options at an issue price to be determined and announced at a later date. Bursa Securities had vide its letter dated 5 December 2016, approved the listing of and quotation for up to 49,850,300 new Tadmax Shares, subject to among others compliance with the relevant provisions of the Listing Requirements.

On 3 May 2017, the Company has fixed the issue price of the Placement Shares at RM0.415 per Placement Share to be issued pursuant to the Private Placement. The aforementioned issue price of RM0.415 per Placement Share represents a discount of approximately RM0.045 or 9.8% from the five (5)-day weighted average market price of Tadmax from 25 April 2017 to 2 May 2017 of approximately RM0.4601.

The first tranche of the Proposed Private Placement amounting to 24,461,640 shares, representing approximately 5% were placed to Datuk Kok Boon Kiat. The issue price was at RM0.415 per Placement Shares and the same were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad with effect from 19 May 2017. With this first tranche Proposed Private Placement, the issued share capital of the Company is now comprise 514,167,734 ordinary shares, equivalent to RM255,005,128.

Pending the identification of placee(s) to subscribe for the remainder Placement Shares, on 15 May 2017, the Company has fixed the issue price of the Placement Shares at RM0.405 per Placement Share to be issued pursuant to the Private Placement. The aforementioned issue price of RM0.405 per Placement Share represents a discount of approximately RM0.0418 or 9.4% from the five (5)-day weighted average market price of Tadmax from 5 May 2017 to 12 May 2017 of approximately RM0.4468.

The second and final tranche of the Proposed Private Placement amounting to 24,461,560 shares, representing approximately 5% were placed to Datuk Kok Boon Kiat (14,676,960 shares) and Dato’ Elias bin Abdullah Ng (9,784,600 shares). The issue price was at RM0.405 per Placement Shares and the same were allotted on 25 May 2017. The listed and quoted on the Main Market of Bursa Malaysia Securities Berhad is scheduled on 29 May 2017. With this second tranche Proposed Private Placement, the issued share capital of the Company is now comprised 538,630,294 ordinary shares, equivalent to RM264,912,060.

*(D) Proposed Rights Issue with Warrants*

On 7 December 2016, the Company announced that it proposed to undertake a renounceable rights issue of up to 219,341,357 new ordinary shares of in Tadmax (“Rights Shares”) together with up to 383,847,374 free detachable warrants (“Warrants”) on the basis of two (2) Rights Shares for every five (5) existing Tadmax Share together with seven (7) Warrants for every four (4) Rights Shares subscribed at an entitlement date and at an issue price to be determined later (“Proposed Rights Issue with Warrants”).

The Proposed Rights Issue with Warrants is conditional upon the following being obtained:

- (a) Bursa Malaysia Securities Berhad for the admission of the Warrants to the Official List of Bursa Securities, listing of and quotation for the Rights Shares and Warrants to be issued pursuant to the Proposed Rights Issue with Warrants; and listing of and quotation for the new Tadmax Shares to be issued pursuant to the exercise of the Warrants on the Main Market of Bursa Securities. Bursa Securities had granted its approval vide its letter dated 30 March 2017; and
- (b) approval of the shareholders of Tadmax for the Proposed Rights Issue with Warrants at an Extraordinary General Meeting to be convened. At the Extraordinary General Meeting held on 16 May 2017, the shareholders of Tadmax had granted its approval.

On 22 May 2017, the Company announced that it has fixed the issue price for the Rights Shares at RM0.40 per Right Share whilst the exercise price of the Warrants at RM0.40 per Warrant for the first four years of issuance and RM0.50 per Warrant from the end of the fourth anniversary of the issue date up to the maturity date of the Warrants.

Barring any unforeseen circumstances, the Proposed Rights Issue with Warrants is expected to be completed in the third quarter of 2017.

**20. Group Borrowings and Debts Securities**

Group borrowings are as follows:-

	<b>As at 31/03/2017 RM'000</b>	<b>As at 31/03/2016 RM'000</b>
(a) Current borrowings – secured		
Term loan	20,000	20,000
Bridging Loan	7,527	3,256
Hire purchase payable	842	645
	<u>28,369</u>	<u>23,901</u>
(b) Non-current borrowings – secured		
Hire purchase payable	787	817
Bridging Loan	22,227	-
	<u>23,014</u>	<u>817</u>

**21. Financial Instruments****(a) Derivatives**

There were no outstanding derivatives as at 31 March 2017.

**(b) Gain/(Loss) arising from fair value changes in financial assets and liabilities**

There are no gain/(loss) arising from fair value changes in financial assets and liabilities during the quarter ended 31 March 2017.

**22. Material Litigation**

There was no other material litigation pending as at 19 May 2017 (being the latest practicable date which shall not be earlier than 7 days from the date of issue of this quarterly report).

**23. Dividend Payable**

No interim ordinary dividend has been declared for the financial period ended 31 March 2017 (31 March 2016: Nil).

**24. Earnings/(Loss) Per Share**

## a) Basic Earnings/(Loss) Per Share

	<b>Current Quarter 31/03/2017</b>	<b>Cumulative Quarter 31/03/2017</b>
Loss for the financial period attributable to equity holders of the Company (RM'000)	3,620	3,620
Weighted average number of ordinary shares in issue ('000)	489,233	489,233
Basic earnings/(loss) per share (sen)	(0.74)	(0.74)

**25. Realised and Unrealised Profit/(Losses)**

	<b>As at 31/03/2017 RM'000</b>	<b>As at 31/03/2016 RM'000</b>
Total retained earnings of Company and its subsidiaries:		
- Realised	(811)	35,932
- Unrealised	794	683
Total Group retained (losses) /earnings	<u>(17)</u>	<u>36,615</u>

**26. Additional disclosures for Profit/(Loss) for the period**

	<b>Current Quarter 31/03/2017 RM'000</b>	<b>Cumulative Quarter 31/03/2017 RM'000</b>
<i>Profit/(Loss) for the period is arrived at after crediting:-</i>		
Interest income	<u>17</u>	<u>17</u>
<i>and after charging:-</i>		
Interest expense	171	171
Rental of property	74	74
Depreciation of property, plant and equipment	467	467
Amortisation of prepaid land lease payments	23	23
Amortisation of prepaid land lease payments with cultivation rights	<u>493</u>	<u>493</u>

Other than the above, there was no provision for and write-off of receivables, provision for and write-off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, gain or loss on derivatives, and exceptional items included in the results for the current quarter and financial year ended 31 March 2017.

**27. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 May 2017.