

# TATT GIAP GROUP BERHAD

(732294-W)

(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of comprehensive income for the year ended 31 May 2017

	Individual period Current year quarter 31-May-17 RM'000	Cumulative periods Current year to date 31-May-17 RM'000
	<b>Note</b>	
Revenue	17,866	88,384
Cost of sales	<u>(19,703)</u>	<u>(90,250)</u>
<b>Gross loss</b>	(1,837)	(1,866)
Distribution costs	(132)	(2,565)
Administrative expenses	(2,448)	(9,388)
Other operating expenses	(14,622)	(14,680)
Other operating income	-	24,589
<b>Results from operating activities</b>	<u>(19,039)</u>	<u>(3,910)</u>
Finance costs	(1,972)	(8,305)
<b>Operating loss</b>	<b>1</b> <u>(21,011)</u>	<u>(12,215)</u>
Share of profit of equity accounted associates, net of tax	930	1,963
<b>Loss before tax</b>	<u>(20,081)</u>	<u>(10,252)</u>
Income tax expense	4,350	4,688
<b>Loss for the period/year</b>	<u>(15,731)</u>	<u>(5,564)</u>
<b>Other comprehensive income, net of tax</b>		
Profit on available-for-sale financial assets	-	50
<b>Total comprehensive expense for the period/year</b>	<u><u>(15,731)</u></u>	<u><u>(5,514)</u></u>
<b>Loss for the period/year attributable to:</b>		
Owners of the Company	(15,804)	(2,911)
Non-controlling interests	73	(2,653)
<b>Loss for the period/year</b>	<u><u>(15,731)</u></u>	<u><u>(5,564)</u></u>
<b>Total comprehensive expense attributable to:</b>		
Owners of the Company	(15,804)	(2,870)
Non-controlling interests	73	(2,644)
<b>Total comprehensive expense for the period/year</b>	<u><u>(15,731)</u></u>	<u><u>(5,514)</u></u>
<b>Basic loss per ordinary share (sen)</b>	<u>(10.19)</u>	<u>(1.88)</u>
<b>Diluted loss per ordinary share (sen)</b>	<u>(10.19)</u>	<u>(1.88)</u>

# The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

# TATT GIAP GROUP BERHAD

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(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of comprehensive income for the year ended 31 May 2017 (continued)

	Individual period Current year quarter 31-May-17 RM'000	Cumulative periods Current year to date 31-May-17 RM'000
<b>Note:</b>		
<b>1. Operating loss is arrived at:</b>		
After charging:		
- Impairment loss on trade & other receivables	(986)	(356)
- Depreciation on property, plant and equipment	655	5,886
- Realised loss on foreign exchange	781	1,295
- Impairment loss on property, plant and equipment	10,095	10,095
- Interest expense	1,972	8,305
- Loss on disposal of property, plant and equipment	7,904	401
After crediting:		
- Gain on disposal of asset held for sale	-	16,234
- Gain on disposal of other investment	28	28
- Realised gain on foreign exchange	878	1,048
- Bad debts recovered	6	24
- Dividend income	-	9
- Interest income	295	321

# The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

# TATT GIAP GROUP BERHAD

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(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of financial position as at financial year ended 31 May 2017

	31-May-17 RM'000	Audited 31-May-16 RM'000
<b>Assets</b>		
Property, plant and equipment	121,179	154,507
Investment in associates	6,232	4,268
Other investments	2,076	2,225
Other receivables	-	2,876
<b>Total non-current assets</b>	<b>129,487</b>	<b>163,876</b>
Inventories	6,875	21,145
Trade and other receivables	24,709	30,103
Current tax assets	34	102
Assets classified as held for sale	-	21,368
Fixed deposits with licensed banks	3,429	1,455
Cash and cash equivalents	4,958	4,974
<b>Total current assets</b>	<b>40,005</b>	<b>79,147</b>
<b>Total assets</b>	<b>169,492</b>	<b>243,023</b>
<b>Equity</b>		
Share capital	82,575	77,552
Reserves	(60,570)	(52,677)
<b>Total equity attributable to owners of the Company</b>	<b>22,005</b>	<b>24,875</b>
Non-controlling interests	11,683	14,327
<b>Total equity</b>	<b>33,688</b>	<b>39,202</b>
<b>Liabilities</b>		
Loans and borrowings	17,082	31,810
Deferred tax liabilities	6,535	12,737
<b>Total non-current liabilities</b>	<b>23,617</b>	<b>44,547</b>
Loans and borrowings	75,728	106,795
Trade and other payables	34,939	52,054
Current tax liabilities	1,520	425
<b>Total current liabilities</b>	<b>112,187</b>	<b>159,274</b>
<b>Total liabilities</b>	<b>135,804</b>	<b>203,821</b>
<b>Total equity and liabilities</b>	<b>169,492</b>	<b>243,023</b>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

# TATT GIAP GROUP BERHAD

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## Unaudited condensed consolidated statement of changes in equity for the period ended 31 May 2017

	Attributable to owners of the Company							Total	Non-controlling interests	Total Equity
	Non-distributable				Distributable					
	Share capital	ICULS - equity portion	Share premium	Reverse acquisition reserve	Fair value reserve	Revaluation Reserve	Accumulated losses			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2015</b>	60,989	16,896	2,373	(53,300)	(68)	-	21,635	48,525	14,784	63,309
Fair value of available-for sale financial assets	-	-	-	-	21	-	-	21	21	42
Revaluation of property, plant and equipment	-	-	-	-	-	23,578	-	23,578	4,365	27,943
Total comprehensive income for the period	-	-	-	-	21	23,578	-	23,599	4,386	27,985
Loss for the period	-	-	-	-	-	-	(47,211)	(47,211)	(4,843)	(52,054)
<b>Total comprehensive income /(expense) for the period</b>	-	-	-	-	<b>21</b>	<b>23,578</b>	<b>(47,211)</b>	<b>(23,612)</b>	<b>(457)</b>	<b>(24,069)</b>
Transaction with owners of the Company - Conversion of ICULS	16,563	(16,896)	2,650	-	-	-	(2,355)	(38)	-	(38)
<b>At 31 May 2016</b>	<b>77,552</b>	<b>-</b>	<b>5,023</b>	<b>(53,300)</b>	<b>(47)</b>	<b>23,578</b>	<b>(27,931)</b>	<b>24,875</b>	<b>14,327</b>	<b>39,202</b>
<b>At 1st June 2016</b>	77,552	-	5,023	(53,300)	(47)	23,578	(27,931)	24,875	14,327	39,202
Fair value of available-for-sale financial assets	-	-	-	-	41	-	-	41	9	50
Reverse of revaluation reserve	-	-	-	-	-	(1,885)	1,885	-	-	-
Transfer in accordance with S618(2) of the Companies Act 2016	5,023	-	(5,023)	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	-	-	(2,911)	(2,911)	(2,653)	(5,564)
<b>Total comprehensive income /(expense) for the period</b>	<b>5,023</b>	<b>-</b>	<b>(5,023)</b>	<b>-</b>	<b>41</b>	<b>(1,885)</b>	<b>(1,026)</b>	<b>(2,870)</b>	<b>(2,644)</b>	<b>(5,514)</b>
<b>At 31 May 2017</b>	<b>82,575</b>	<b>-</b>	<b>-</b>	<b>(53,300)</b>	<b>(6)</b>	<b>21,693</b>	<b>(28,957)</b>	<b>22,005</b>	<b>11,683</b>	<b>33,688</b>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

# TATT GIAP GROUP BERHAD

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## Unaudited condensed consolidated statement of cash flows for the year ended 31 May 2017

	Note	12 months periods to 31-May-17  RM'000	17 months period to 31-May-16 (Audited) RM'000
<b>Cash flows from operating activities</b>			
Loss before tax		(10,252)	(51,433)
Adjustments for:			
Depreciation on property, plant and equipment		5,886	14,612
Depreciation on investment property		-	7
Impairment loss on plant and machinery		10,095	2,500
Interest expense		8,305	15,357
Interest income		(321)	(591)
Gain on disposal of property, plant and equipment		401	(1,034)
Gain on disposal of asset held for sale		(16,234)	-
Gain on disposal of investment property		0	(76)
Gain on disposal of other investment		(28)	
Gain on disposal of in a subsidiary		-	(70)
Dividend income		(9)	(3)
Share of (gain)/loss of equity accounted associates, net of tax		(1,963)	1,282
Operating loss before working capital changes		<u>(4,120)</u>	<u>(19,449)</u>
Changes in working capital:			
Inventories		14,270	43,984
Trade and other receivables		8,270	24,521
Trade and other payables		<u>(17,111)</u>	<u>(17,864)</u>
<b>Cash generated from operations</b>		1,309	31,192
Income taxes (paid)/refund		(929)	352
<b>Net cash from operating activities</b>		<u>380</u>	<u>31,544</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		-	(581)
Dividend received		9	3
Interest received		321	591
Subscription of additional interest in an associate		-	(949)
Proceeds from disposal of property, plant and equipment		18,158	4,243
Proceeds from disposal of investment property		-	700
Proceeds from disposal of other investment		149	-
Proceeds from disposal of assets classified as held for sale		41,000	-
<b>Net cash from investing activities</b>		<u>59,637</u>	<u>4,007</u>
<b>Cash flows from financing activities</b>			
Interest paid		(8,305)	(15,698)
Repayment of short term borrowings, net		(32,644)	(16,946)
Repayment of term loans		(9,472)	(3,073)
Withdrawal of pledged short term deposits		(1,974)	4,039
Payment of finance lease liabilities		(2,721)	(5,919)
<b>Net cash used in financing activities</b>		<u>(55,116)</u>	<u>(37,597)</u>
Net increase/(decrease) in cash and cash equivalents		4,901	(2,046)
Cash and cash equivalents as at beginning of financial period		(5,643)	(3,597)
<b>Cash and cash equivalents as at end of financial year</b>	<b>A</b>	<u><u>(742)</u></u>	<u><u>(5,643)</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

# TATT GIAP GROUP BERHAD

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(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of cash flows for the year ended 31 May 2017 (continued)

### Notes:

#### A. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

	<b>2017</b> <b>RM'000</b>	<b>2016</b> <b>RM'000</b>
Cash and bank balances	4,958	1,015
Bank overdrafts	(5,700)	(6,658)
Cash and cash equivalents	<u>(742)</u>	<u>(5,643)</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

# TATT GIAP GROUP BERHAD

(732294-W)

(Incorporated in Malaysia)

## Notes to the condensed consolidated interim financial statements

### A. EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARD 134 (MFRS 134): INTERIM FINANCIAL REPORTING

#### A1. Basis of preparation

The condensed consolidated interim financial statements have been prepared on the historical cost basis, other than land and buildings carried at valuation.

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the 17 months financial period ended 31 May 2016. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the 17 month financial months ended 31 May 2016.

The following revised MFRSs and Amendments to MFRSs applicable to the Group have been issued by the MASB and are not yet effective for adoption by the Group.

#### MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2017

Amendments to MFRS 12	Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)
Amendments to MFRS 107	Statement of Cash Flows – Disclosure Initiative
Amendments to MFRS 112	Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

#### MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments (2014)
MFRS 15	Revenue from Contracts with Customers
Clarifications to MFRS 15	Revenue from Contracts with Customers
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
Amendments to MFRS 2	Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
Amendments to MFRS 4	Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
Amendments to MFRS 128	Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)
Amendments to MFRS 140	Investment Property – Transfers of Investment Property*

#### MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

MFRS 16	Leases
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#### MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

Amendments to MFRS 10	Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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# TATT GIAP GROUP BERHAD

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## Notes to the condensed consolidated interim financial statements

### A1. Basis of preparation (continued)

The Company plans to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 March 2017 for those amendments that are effective for annual periods beginning on or after 1 January 2017
- from the annual period beginning on 1 March 2018 for those accounting standards, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2018, other than those marked with "\*" which are not applicable to the Group and the Company.
- from the annual period beginning on 1 March 2019 for the accounting standard that is effective for annual periods beginning on or after 1 January 2019.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Company except as mentioned below:

#### (i) MFRS 15, Revenue from Contracts with Customers

MFRS 15 replaces the guidance in MFRS 111, Construction Contracts, MFRS 118, Revenue, IC Interpretation 13, Customer Loyalty Programmes, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfers of Assets from Customers and IC Interpretation 131, Revenue - Barter Transactions Involving Advertising Services.

The Company is currently assessing the financial impact that may arise from the adoption of MFRS 15.

#### (ii) MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The Company is currently assessing the financial impact that may arise from the adoption of MFRS 9.

#### (ii) MFRS 16, Leases

MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The Company is currently assessing the financial impact that may arise from the adoption of MFRS 16.

### A2. Auditor's report on preceding annual financial statements

The auditor's report on the audited annual financial statements for the 17 months financial period ended 31 May 2016 was not qualified.

### A3. Seasonality or cyclical factors

The business operations of the Group is not subject to seasonal or cyclical factors.

### A4. Exceptional and extraordinary items

There were no items affecting assets, liabilities, equity, net income or cash flows that are exceptional or extraordinary due to their nature, size or incidence affecting the interim financial report except for the impairment loss on plant and equipment provided and those disclosed in note A10.

### A5. Changes in estimates



# TATT GIAP GROUP BERHAD

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## Notes to the condensed consolidated interim financial statements

There were no changes in estimates that had a material effect on the current quarter and period to date results.

### **A6. Debt and equity securities**

There have been no issuances, cancellations, repurchases, resale and repayments of debts and equity securities during the current quarter.

### **A7. Share capital**

The new Companies Act 2016 (CA 2016) which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amount standing to the credit of the share premium account of RM5,023,000 became part of the Company's share capital pursuant to the transitional provisions in Sec 618(2) of CA 2016. The Company may exercise the right to use the credit amount being transferred from the share premium account within 24 months after the commencement of CA 2016. The Board of Directors will make a decision before the expiry of the 24 months.

### **A8. Dividend paid**

There was no dividend paid by the Company in the current quarter and the period to date.

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## Notes to the condensed consolidated interim financial statements

### A9. Segmental information

The Group only has one reportable segment which is principally confined to the manufacturing and trading of stainless steel pipes, tubes and bars, electro-galvanized steel, perforated metal products and other ferrous and non-ferrous metal products. The Group's Executive Chairman (the chief operating decision maker) reviews internal management reports on the reportable segments on a monthly basis.

#### *Geographical segment*

In presenting information on the basis of geographical segments, segmental revenue is based on the geographical location of customers.

#### *Geographical information*

	Individual period	Cumulative period
	Current year quarter 31-May-17 RM'000	Current year to date 31-May-17 RM'000
<u>Segment revenue</u>		
Malaysia	11,207	57,452
Asia (excluding Malaysia)	1,129	6,708
United States of America	51	3,547
South America	376	3,018
Europe	5,103	17,658
	<u>17,866</u>	<u>88,384</u>

### A10. Property, plant and equipment

No additional property, plant and equipment was acquired during the financial period ended 31 May 2017.

### A11. Material events during the reporting period

On 31 December 2015, TGG entered into an Sale and Purchase Agreement with CSC Steel Sdn Bhd ("CSCM") and Tatt Giap Steel Centre Sdn Bhd ("TGSC") to dispose of leasehold industrial land and buildings at No. 1617 Lorong Perusahaan Maju 6, Prai Industrial Estate IV, 13600 Prai, Penang to CSCM for a total disposal consideration of RM41,000,000. On 29 August 2016, the Company announced the completion of this disposal and reported a total gain of RM16.2 million on disposal.

On 27 July 2016, Tatt Giap Hardware Sdn Bhd ("TGH"), a wholly own subsidiary company of TGG entered into an Sale and Purchase Agreement with Tan Chong Ekspres Auto Servis Sdn Bhd ("TCE") to dispose of all the piece of leasehold land held under issue document of title number 167366 PT-, Mukim Damansara, Dearah Petaling, Negeri Selangor Darul Ehsan together with a single storey detached warehouse and a double storey office building erected thereon for RM15.5 million.

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## Notes to the condensed consolidated interim financial statements

### A12 Changes in composition of the Group for the financial period ended 31 May 2017

There is no changes in Group's composition.

### A13 Contingent liabilities

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

### A14 Capital commitment

	Cumulative as at 31-May-17 RM'000
Contracted but not provided for in the financial statements	
- Investment in an associate - PIBI	<u>1,881</u>

### A15 Significant related party transactions

	Current period 31-May-17 RM'000	Cumulative period 31-May-17 RM'000
a) Substantial shareholders of a subsidiary		
- Sales	5	486
- Purchases	(5,205)	(23,795)
- Sale of property	-	41,000
- Interest expense	(17)	(502)
- Management fee	(15)	(85)
- Rental expense	<u>(23)</u>	<u>(71)</u>
b) Associates		
- Sales	53	296
- Purchases	(981)	(2,673)
- Interest expense	-	(69)
- Rental Income	-	623
- Management fee	<u>166</u>	<u>706</u>
c) Directors & persons connected to Directors		
- Sales	2,724	2,724
- Purchases	(68)	(415)
- Interest expense	(25)	(104)
- Rental expense	(59)	(239)
- Rental income	84	470
- Management fee income	-	570
- Sales of investment property	-	180
- Loan from Director	<u>10,037</u>	<u>10,681</u>

# TATT GIAP GROUP BERHAD

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## Notes to the condensed consolidated interim financial statements

### B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1. Review of performance

For the financial year ended 31 May 2017, the Group achieved total revenue of RM89.06 million and reported loss before tax of RM10,252K. During the financial year, the Group impaired its plant and machinery amounted RM10,095K. Operating loss before impairment for the financial year is amounted to RM157K as compared to prior period of RM48,933K which indicates an improvement on the Group's operating results during the financial period as a result of stricthen cost control and gain on disposal of properties (i.e. Shah Alam and Perai).

#### B2. Variation of results against preceding quarter

For the current quarter under review, the Group achieved total revenue of RM 18.54 million and loss before tax of RM 13.30 million as compared to total revenue of RM 20.74 million and loss before tax of RM 4.56 million in the immediate preceding quarter ended 28 February 2017. The drop in sales mainly due to weak demand in domestic and export markets and loss before tax is mainly due to continuing operational loss and impairment of plant and machinery of RM10.0 million

#### B3. Current year prospects

As disclosed in Note B7, 3 subsidiaries of the Group have breached the loan covenant regarding the net assets requirement. The Group is taking active steps to address this deviation and will continue to restructure its business by disposing non-performances assets to generate sufficient cash flows to expand its business operations.

#### B4. Variance between actual profit and forecast profit

The Group has not issued any profit forecast or profit guarantee.

#### B5. Income tax expense

	Current Quarter 31-May-17 RM'000	Cumulative Period to Date 31-May-17 RM'000
Current tax expense	(1,688)	(1,350)
Deferred tax income	6,038	6,038
	<u>4,350</u>	<u>4,688</u>

#### B6. Quoted investments

	Carrying Amount RM'000	Market value as at 31-May-17 RM'000
Quoted shares in Malaysia	<u>17</u>	<u>17</u>

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## Notes to the condensed consolidated interim financial statements

### B7. Loan and borrowings

The Group's loans and borrowings as at 31 May 2017 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Current:			
- Bank overdraft	5,700	-	5,700
- Trade line	58,746	-	58,746
- Term loans	10,241	-	10,241
- Finance lease liabilities	1,041	-	1,041
	<u>75,728</u>	<u>-</u>	<u>75,728</u>
Non-current			
- Term loans	16,795	-	16,795
- Finance lease liabilities	287	-	287
	<u>17,082</u>	<u>-</u>	<u>17,082</u>
Total	<u>92,810</u>	<u>-</u>	<u>92,810</u>

The above borrowings are denominated in Ringgit Malaysia.

#### **Breach of loan covenant**

Certain subsidiaries of the Group has term loan and trade financing borrowings outstanding with banks that require the subsidiaries to maintain their net tangible assets (NTA) at certain minimum threshold or amount. As at the reporting date, the NTA of these subsidiaries were below the minimum threshold. Consequently, the long term portion of the borrowings concerned outstanding as at 31 May 2017 have been reclassified as current liabilities. Management is currently in discussion with the banks concerned to remediate the breach.

### B8. Material litigation

The Group is not engaged in any material litigation for the current financial period.

### B9. Proposed dividend

The Board does not recommend any dividend for the current quarter ended 31 May 2017.

### B10. Loss per share

a) Basic loss per ordinary share	Current Quarter 1 Mar 2017 to 31-May-17	Cumulative 1 June 2016 to 31-May-17
Loss attributable to ordinary shareholders (RM'000)	(15,804)	(2,911)
Weighted average number of ordinary share ('000)	<u>155,103</u>	<u>155,103</u>
Basic loss per ordinary share (in sen)	<u>(10.19)</u>	<u>(1.88)</u>
b) Diluted loss per ordinary share	Current Quarter 1 Mar 2017 to 31-May-17	Cumulative 1 June 2016 to 31-May-17
Diluted loss per ordinary share (in sen)	<u>(10.19)</u>	<u>(1.88)</u>

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## Notes to the condensed consolidated interim financial statements

### B11. Realized and unrealized profits or losses

The breakdown of retained earnings of the Group as at the reporting date, into realized and unrealized profits or losses, pursuant to directive, are as follows:

	As at 31-May-17 RM'000	As at 31-May-16 RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realized	(88,687)	(47,023)
- Unrealized	<u>(118)</u>	<u>(7,317)</u>
	(88,805)	(54,340)
Total share of accumulated (losses)/profit from associates:		
- Realized	(7,238)	(9,201)
- Unrealized	<u>(2,939)</u>	<u>(2,939)</u>
	(98,982)	(66,480)
Consolidation adjustments	<u>71,051</u>	<u>38,548</u>
Total retained earnings	<u><u>(27,931)</u></u>	<u><u>(27,932)</u></u>

### B12. Authorization for issue

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Board.