

**YONG TAI BERHAD**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER 30 SEPTEMBER 2015**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current Year Quarter 30.09.2015 (RM'000)	Preceding Year Corresponding Quarter 30.09.2014 (Restated) (RM'000)	Current Year To date 30.09.2015 (RM'000)	Preceding Year Corresponding Period 30.09.2014 (Restated) (RM'000)
Revenue	7,247	17,208	7,247	17,208
Cost of sales	(4,480)	(14,817)	(4,480)	(14,817)
Gross profit	<u>2,767</u>	<u>2,391</u>	<u>2,767</u>	<u>2,391</u>
Other income	53	2,022	53	2,022
Other expenses	(1,040)	(1,152)	(1,040)	(1,152)
Operating profit	<u>1,780</u>	<u>3,261</u>	<u>1,780</u>	<u>3,261</u>
Finance costs	(99)	(144)	(99)	(144)
Shares of results of joint ventures	(724)	-	(724)	-
<b>Profit before tax</b>	<u>957</u>	<u>3,117</u>	<u>957</u>	<u>3,117</u>
Taxation	(279)	(479)	(279)	(479)
<b>(Loss) / profit for the period</b>				
- From continuing operations	678	2,638	678	2,638
- From discontinued operation	(802)	(380)	(802)	(380)
<b>(Loss) / profit for the period</b>	<u>(124)</u>	<u>2,258</u>	<u>(124)</u>	<u>2,258</u>
Other comprehensive income, net of tax	-	-	-	-
<b>Total Comprehensive (expenses) / income for the period</b>	<u>(124)</u>	<u>2,258</u>	<u>(124)</u>	<u>2,258</u>
<b>Net (loss) / profit attributable to equity holders of the Company</b>				
- From continuing operations	678	2,638	678	2,638
- From discontinued operation	(802)	(380)	(802)	(380)
	<u>(124)</u>	<u>2,258</u>	<u>(124)</u>	<u>2,258</u>
Non-controlling interest	-	-	-	-
	<u>(124)</u>	<u>2,258</u>	<u>(124)</u>	<u>2,258</u>
<b>Total comprehensive (expenses) / income attributable to:</b>				
Equity holders of the Company	(124)	2,258	(124)	2,258
Non-controlling interest	-	-	-	-
	<u>(124)</u>	<u>2,258</u>	<u>(124)</u>	<u>2,258</u>
<b>Basic (loss) / earnings per share attributable to equity holders of the Company (sen)</b>				
- From continuing operations	0.42	6.58	0.42	6.58
- From discontinued operation	(0.50)	(0.95)	(0.50)	(0.95)
	<u>(0.08)</u>	<u>5.63</u>	<u>(0.08)</u>	<u>5.63</u>
<b>Diluted (loss) / earnings per share attributable to equity holders of the Company (sen)</b>				
- From continuing operations	0.41	6.58	0.41	6.58
- From discontinued operation	(0.48)	(0.95)	(0.48)	(0.95)
	<u>(0.07)</u>	<u>5.63</u>	<u>(0.07)</u>	<u>5.63</u>

(The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 th June 2015)

**YONG TAI BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE FIRST QUARTER 30 SEPTEMBER 2015**

	(Unaudited) 30.09.2015 RM'000	(Audited) 30.06.2015 RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	12,826	15,844
Investment properties	-	11,900
Investment in joint venture	24,500	24,500
Interest in joint operation	10,500	10,500
	<u>47,826</u>	<u>62,744</u>
<b>Current Assets</b>		
Property development cost	21,196	10,908
Inventories	899	6,826
Trade receivables	3,849	9,316
Other receivables	48,236	21,568
Current tax assets	80	992
Cash and bank balances	7,687	42,504
	<u>81,947</u>	<u>92,114</u>
Assets of disposal group classified as held for sale	30,193	-
	<u>112,140</u>	<u>92,114</u>
<b>TOTAL ASSETS</b>	<b><u>159,966</u></b>	<b><u>154,858</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	80,172	80,172
Reserves		
Share premium	2,221	2,221
Other reserves	6,218	6,218
Accumulated losses	(4,552)	(4,428)
	<u>84,059</u>	<u>84,183</u>
Non-controlling interest	-	-
<b>Total equity</b>	<b><u>84,059</u></b>	<b><u>84,183</u></b>
<b>Non-current Liabilities</b>		
Borrowings	10,433	2,254
	<u>10,433</u>	<u>2,254</u>
<b>Current Liabilities</b>		
Trade payables	26,967	35,582
Other payables	4,112	12,972
Amount due to Directors	244	2,870
Bank overdraft	3,478	5,833
Borrowings	39	10,692
Provision for taxation	312	472
	<u>35,152</u>	<u>68,421</u>
Liabilities of disposal group classified as held for sale	30,322	-
	<u>65,474</u>	<u>68,421</u>
<b>Total Liabilities</b>	<b><u>75,907</u></b>	<b><u>70,675</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>159,966</u></b>	<b><u>154,858</u></b>
Net Assets per share (RM)	0.52	0.53

(The unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30th June 2015)

**YONG TAI BERHAD**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015**

	3 months ended 30.09.2015 (RM'000)	3 months ended 30.09.2014 (RM'000)
<b>Cash flows from operating activities</b>		
Net profit before taxation		
From continuing operation	957	3,117
From discontinuing operation	(802)	(344)
	<u>155</u>	<u>2,773</u>
Adjustments for:-		
Share of results of joint ventures	724	-
Depreciation of property, plant and equipment	333	423
Interest expenses	387	791
Property, plant and equipment written off	145	197
Operating profit before changes in working capital	<u>1,744</u>	<u>4,184</u>
Decrease /(increase) in working capital		
Inventories	(112)	(772)
Receivables	(28,940)	1,401
Property development cost	(10,288)	(23,476)
Payables	(1,026)	21,824
Amount due to Directors	(761)	2,852
Cash (absorbed by)/generated from operations	<u>(39,383)</u>	<u>6,013</u>
Interest paid	(387)	(791)
Net Tax (paid)/ refunded	(440)	(58)
Net cash used in operating activities	<u>(40,210)</u>	<u>5,164</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(531)	(346)
Net cash used in investing activities	<u>(531)</u>	<u>(346)</u>
<b>Cash flows from financing activities</b>		
Net (repayment of)/proceeds from short-term borrowings	(104)	-
Repayment of hire purchase creditors	(10)	(18)
Net proceeds from/(repayment of) from term loans	8,189	(3,127)
Net cash (used in)/from financing activities	<u>8,075</u>	<u>(3,145)</u>
<b>Net (decrease)/increase in cash &amp; cash equivalents</b>	<b>(32,666)</b>	<b>1,673</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>36,671</b>	<b>(5,804)</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>4,005</u></b>	<b><u>(4,131)</u></b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	8,217	2,470
Bank overdrafts	(4,212)	(6,601)
	<u>4,005</u>	<u>(4,131)</u>

(The unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30th June 2015)

**YONG TAI BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FIRST QUARTER 30 SEPTEMBER 2014**

	← Attributable to equity holders of the Company →				Total	Non-controlling Interest	Total Equity
	← Non-distributable →		Distributable				
	Share Capital	Share Premium	Warrants reserve	Retained Earnings			
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
At 1st July 2014	40,115	1,626	-	(25,994)	15,747	-	15,747
<u>Comprehensive income</u>							
Net profit for the period	-	-	-	2,258	2,258	-	2,258
At 30 September 2014	40,115	1,626	-	(23,736)	18,005	-	18,005

**FOR THE FIRST QUARTER 30 SEPTEMBER 2015**

	← Attributable to equity holders of the Company →				Total	Non-controlling Interest	Total Equity
	← Non-distributable →		Distributable				
	Share Capital	Share Premium	Warrants reserve	Retained Earnings			
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
At 1st July 2015	80,172	2,221	6,218	(4,428)	84,183	-	84,183
<u>Comprehensive income</u>							
Net (loss)/ profit for the period	-	-	-	(124)	(124)	-	(124)
At 30 September 2015	80,172	2,221	6,218	(4,552)	84,059	-	84,059

(The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30th June 2015)

**YONG TAI BERHAD (311186-T)**  
**SELECTED EXPLANATORY NOTES**  
**FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015**  
**PART A –EXPLANATION NOTES TO MFRS 134**

**A1. Basis of Preparation**

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

The unaudited interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 30 June 2015.

**A2. Accounting Policies**

The accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted as disclosed in the Group's annual audited financial statements for the financial year ended 30 June 2015.

The Group has adopted the new and revised Malaysian Financial Reporting Standards ("MFRSs") and IC Interpretations that became mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

**A3. Comparative**

On 22 October 2015, the Company had entered into a Share Sale Agreement with Diamond Galaxy Sdn Bhd ("Diamond Galaxy") for the disposal of the entire equity interest in Yong Tai Brothers Trading Sdn Bhd ("YTBT"), a wholly-owned subsidiary of the Company, for cash consideration of RM500,000/-.

In accordance with MFRS 5, Non-current Assets Held For Sale and Discontinued Operation, YTBT is classified as Disposal group held for sale / discontinued operation. The comparative of the Discontinued operation in the preceding year corresponding quarter and year to date have been reclassified and restated as follow:-

## Condensed consolidated statement of comprehensive income (Cont'd)

	Preceding quarter 30.09.2015		
	As	Disposal	As
	previously	Group	Restated
	stated	MFRS 5	
	RM'000	RM'000	RM'000
Revenue	25,763	8,555	17,208
Cost of sales	(19,778)	(4,961)	(14,817)
Gross profit	5,985	3,594	2,391
Other income	2,161	139	2,022
Other expenses	(4,582)	(3,430)	(1,152)
Finance costs	(791)	(647)	(144)
Profit / (Loss) before tax	2,773	(344)	3,117
Taxation	(515)	(36)	(479)
Profit / (Loss) for the period from continuing operations	2,258	(380)	2,638
(Loss)/profit for the period from discontinued operation	-	380	(380)

	Preceding year to date 30.09.2015		
	As	Disposal	As
	previously	Group	Restated
	stated	MFRS 5	
	RM'000	RM'000	RM'000
Revenue	25,763	8,555	17,208
Cost of sales	(19,778)	(4,961)	(14,817)
Gross profit	5,985	3,594	2,391
Other income	2,161	139	2,022
Other expenses	(4,582)	(3,430)	(1,152)
Finance costs	(791)	(647)	(144)
Profit / (Loss) before tax	2,773	(344)	3,117
Taxation	(515)	(36)	(479)
Profit / (Loss) for the period from continuing operations	2,258	(380)	2,638
(Loss)/profit for the period from discontinued operation	-	380	(380)

### A4. Audit Report

The auditors' report for the annual financial statements of the Group for the financial year ended 30th June 2015 was not subject to any qualification.

### A5. Seasonal or Cyclical Factors

The Group's garments and related accessories retail business operations are subject to seasonal and festive celebrations in Malaysia.

### A6. Unusual Items

During the current quarter under review, there were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows during the financial period.

#### **A7. Changes in Estimates**

There were no changes in estimates of amount reported that have material effect on the results for the current quarter under review.

#### **A8. Debt And Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of either debt or equity securities during the current quarter and financial year to date.

#### **A9. Dividends Paid**

There were no dividends paid for the current financial period to date.

#### **A10. Valuation of Property, Plant and Equipment**

There has been no valuation taken for the Group's property, plant and equipment for the current quarter under review.

#### **A11. Changes in Composition of the Group**

The Company had on 4 September 2015 acquired a wholly-owned subsidiary known as YTB Impression Sdn. Bhd. ("**YTB Impression**"). YTB Impression was incorporated on 27 July 2015. The authorised share capital of YTB Impression is RM400,000.00 divided into 400,000 ordinary shares of RM1.00 each and the initial paid-up capital is RM2.00 divided into 2 ordinary shares of RM1.00 each.

The intended principal activities of YTB Impression are property development and investment holding.

#### **A12. Changes of Contingent Liabilities or Contingent Assets**

There were no changes in contingent liability and contingent asset of the Group since the end of the previous financial year 30th June 2015.

#### **A13. Significant Related Party Transaction**

There were no significant related party transactions in the current quarter.

## A14. Segment Information

	Dyeing	Property development	Investment holding and Others	Elimination	Total continuing operations	Total discontinued operations	Total group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>3 months ended 30.09.2015</u></b>							
External sales	3,274	3,973	-	-	7,247	2,465	9,712
Inter-segment sales		-	30	(30)	-	-	-
<b>Total</b>	<b>3,274</b>	<b>3,973</b>	<b>30</b>	<b>(30)</b>	<b>7,247</b>	<b>2,465</b>	<b>9,712</b>
<b>Results:-</b>							
Segmental result	699	1,474	(393)	-	1,780	(514)	1,266
Unallocated corporate income					-	-	-
Operating profit /(loss)					1,780	(514)	1,266
Finance costs					(99)	(288)	(387)
Share of results of joint ventures					(724)	-	(724)
Profit /(loss) before taxation					957	(802)	155
Taxation					(279)	-	(279)
Profit /(loss) after taxation					678	(802)	(124)
Non-controlling interest					-	-	-
Profit/(loss) for the period					678	(802)	(124)
<b>Other information</b>							
Segment assets	20,069	87,634	22,070	-	129,773	30,193	159,966
Unallocated corporate assets							-
<b>Total consolidated corporate assets</b>							<b>159,966</b>
Segment liabilities	6,681	38,656	248	-	45,585	30,322	75,907
Unallocated corporate liabilities							-
<b>Total consolidated corporate liabilities</b>							<b>75,907</b>
<b><u>3 months ended 30.09.2014</u></b>							
<b>Revenue</b>							
External sales	2,709	14,589	-	-	17,298	8,465	25,763
Inter-segment sales	-	-	30	(120)	(90)	90	-
<b>Total</b>	<b>2,709</b>	<b>14,589</b>	<b>30</b>	<b>(120)</b>	<b>17,208</b>	<b>8,555</b>	<b>25,763</b>
<b>Results:-</b>							
Segmental result	3	1,308	20	-	1,331	303	1,634
Unallocated corporate income					1,930	-	1,930
Operating profit					3,261	303	3,564
Finance costs					(144)	(647)	(791)
Profit /(loss) before taxation					3,117	(344)	2,773
Taxation					(479)	(36)	(515)
Profit /(loss) after taxation					2,638	(380)	2,258
Non-controlling interest					-	-	-
Profit/(loss) for the period					2,638	(380)	2,258
<b>Other information</b>							
Segment assets	14,738	25,380	2,018	-	42,136	53,107	95,243
Unallocated corporate assets							-
<b>Total consolidated corporate assets</b>							<b>95,243</b>
Segment liabilities	8,755	23,155	191	-	32,101	45,137	77,238
Unallocated corporate liabilities							-
<b>Total consolidated corporate liabilities</b>							<b>77,238</b>



## A15. Discontinued Operation/ Disposal of subsidiary

As mention in Section A3 of Part A to the Interim Financial Report above, YTBT is classified as Disposal group held for sale/discontinued operation.

The Disposal will enable YTB Group to deconsolidate a loss-making business entity and is in line with the YTB Group's business strategy to place greater focus and resources in the property development business segment in future.

In accordance with MFRS 5: Non-Current Assets Held for Sale and Discontinued operation, the results and cash flow of the disposal group were classified as "Discontinued operation" in the Statement of Comprehensive Income.

The revenue and results of the Discontinued operation are as follow:

	Current Quarter from 01.07.2015- 30.09.2015 RM'000	Proceeding Year Quarter 30.09.2014 RM'000	Current Year To Date From 01.07.2015- 30.09.2015 RM'000	Proceeding Year To Date 30.09.2014 RM'000
Revenue	2,465	8,555	2,465	8,555
Cost of sales	(861)	(4,961)	(861)	(4,961)
Gross profit	1,604	3,594	1,604	3,594
Other income	80	139	80	139
Other expenses	(2,198)	(3,430)	(2,198)	(3,430)
Finance costs	(288)	(647)	(288)	(647)
Loss before tax	(802)	(344)	(802)	(344)
Taxation	-	(36)	-	(36)
Loss after tax	(802)	(380)	(802)	(380)

## Discontinued Operation/Disposal of subsidiary (Cont'd)

The major classes of assets and liabilities of the disposal group held for sale as at 30 September 2015

	RM'000
<b>Assets</b>	
Property, plant and equipment	3,071
Investment property	11,900
Inventories	6,038
Trade receivables	5,207
Other receivables	2,532
Cash and bank balances	530
Current tax assets	915
Assets of disposal group classified as held for sale	<u>30,193</u>
<b>Liabilities</b>	
Trade payables	7,165
Other payables	10,009
Amount due to directors	1,864
Bank overdraft	734
Borrowings	10,550
Liabilities of disposal group classified as held for sale	<u>30,322</u>
Net Assets/(Liabilities) of disposal group held for sale	<u>(129)</u>

	Year To Date	
	30.09.2015	30.09.2014
	RM'000	RM'000
Operating cash flow	351	2,094
Investing cash flow	(38)	(324)
Financing cash flow	54	(2,292)
	<u>367</u>	<u>(522)</u>

### A16. Material Events Subsequent to the End of Reporting Period

- a) On 22 October 2015, the Company had entered into a Share Sale Agreement with Diamond Galaxy for the disposal of the entire equity interest in YTBT, a wholly-owned subsidiary of the Company, for cash consideration of RM500,000/-.
- b) On 26 October 2015, AmInvestment Bank Berhad (“**AmInvestment Bank**”), on behalf of the Board, announced that the following agreements were entered into:
  - (i) conditional Sale and Purchase Agreement between YTB Impression and Admiral City Sdn Bhd (“**Admiral City**”) for the proposed acquisition by YTB Impression of approximately 17 acres of seafront land (“**Impression Land**”) located in Kawasan Bandar VI, District of Melaka Tengah, Melaka for a cash consideration of RM37,026,000/- (“**Proposed Acquisition of Impression Land**”);

## Material Events Subsequent to the End of Reporting Period (Cont'd)

- (ii) conditional Joint Development Agreement between YTB Impression and Admiral City and its subsidiaries, namely, Oceancove Development Sdn Bhd Oceanfront Development Sdn Bhd and Strategic Property Sdn Bhd for the proposed establishment of a joint development arrangement to jointly develop approximately 100 acres of leasehold land located adjacent to the Impression Land, all of which are located in Kawasan Bandar VI, District of Melaka Tengah, Melaka (“**Proposed Melaka JV**”);
  - (iii) conditional Sale and Purchase Agreement between YTB and PTS Properties Sdn Bhd (“**PTS Properties**”), Boo Kuang Loon and Apple Impression Sdn Bhd for the proposed acquisition by the Company of the entire equity interest in PTS Impression Sdn Bhd (“**PTSI**”), a company holding the rights to produce and stage a tourism stage performance known as “Impression Melaka” for a cash consideration of RM3,000,000/- (“**Proposed Acquisition of PTSI**”); and
  - (iv) conditional Share Sale Agreement between YTB and Sia Chien Vui, Dato’ Sri Lee Ee Hoe and PTS Properties for the proposed acquisition by YTB of the entire equity interest in Yuten Development Sdn Bhd (“**Yuten**”), a company which has a joint venture arrangement with Fahad Holdings Sdn Bhd to jointly develop two (2) adjoining parcels of land along Jalan U-Thant, Kuala Lumpur for a cash consideration of RM3,000,000/- (“**Proposed Acquisition of Yuten**”).
- c) On 9 November 2015, Syarikat Koon Fuat Industries Sdn. Bhd. (“SKF”), a wholly-owned subsidiary of the Company, had entered into a conditional sale and purchase agreement with Mr. Teo Hock Chuan for the proposed disposal of a parcel of leasehold land measuring approximately 21,775 square feet held under HS(D) 9777 PTD 1842, Mukim Linau, District of Batu Pahat, Johor together with one (1) unit of single storey warehouse erected thereon for a total cash consideration of RM1,300,000.
- d) On 9 November 2015, AmInvestment Bank, on behalf of the Board, announced that the parties to the L&B MOU (as defined in Section B6 of Part B) have mutually agreed to extend the L&B MOU to 2 February 2016 (“**Extended Date**”). Other than the above, all other terms stated in the L&B MOU remain unchanged.

The Company is still in negotiation with Pang Kwee Yin and Wong See Ming for the proposed acquisition of Terrawest Resources Sdn Bhd (“**Terrawest**”), a company which owns two (2) parcels of freehold and contiguous land located in Puchong, Selangor for a potential property development project (“**Proposed Acquisition of Terrawest**”) and it is the intention of the parties to extend the Terrawest MOU (as defined in Section B6 of Part B) to the Extended Date. The Company will make the relevant announcement when the parties have executed a written confirmation on the extension of time for the Terrawest MOU.

## **PART B -ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD**

### **B1. Review of Performance**

As explained in Section A15 of Part A, in accordance with MFRS, Non-current Assets Held for Sale and Discontinued operation, YTBT is a disposal group held for sale and accordingly was classified as Discontinued operation.

#### **a) Continuing operation**

The Group's recorded revenue of RM7.247 million during financial period ended 30 September 2015 as compared to RM17.208 million in the preceding year's corresponding period. The decrease in turnover was due to decrease revenue recognition from on-going project in the Property Development business segment. Its maiden project has fully recognized in the last financial year. The Group currently has one on-going project, namely The Apple, where the foundation work has started. This current project is expected to contribute positively to Group performance in coming quarters.

The Group's profit before taxation was RM0.957 million for 3 months compared to profit before taxation RM3.117 million in the preceding year's corresponding period. The decrease in profit before tax is mainly arising from the decrease contribution through a joint operation in the property development business.

The Group's performance was contributed by the following segment:-

#### **a) The dyeing segment**

The dyeing segment registered revenue of RM3.274 million for the first 3 months compared to RM2.709 million in the previous year corresponding period. The increase in turnover was mainly due to increase in consumer demand in dyeing segment.

#### **b) Property development segment**

As at end-June 2015, the Group's first maiden project has been successfully completed and obtained the Certificate of Compliance and Completion (CCC) from the relevant authority. This project has contributed significantly to the Group's performance for financial year ended 30 June 2015.

The second joint venture project, namely "The Apple" has just started contributing to the Group performance for the period under review. It has started casting the pile caps.

The Company's property development division has recorded a revenue level of RM3.973 million, representing 54.82% of the Group's total revenue of RM7.247 million. The Group has recognized the revenue of RM3.973 million based on the construction progress for its property development project in Melaka, namely The Apple.

## **Review of Performance (Cont'd)**

### **b) Discontinuing operation**

The Disposal group record revenue and loss before tax of RM2.465 million and RM0.802 million respectively, compared to revenue of RM8.555 million and loss before tax of RM0.344 million in the preceding year corresponding period.

## **B2. Material Changes in the Quarterly Results as Compared with the Preceding Quartered**

### **a) Continuing operations**

For the current quarter, the Group's revenue was RM7.247 million compared to RM18.156 million in the immediate preceding quarter. Profit before taxation in the current quarter was RM0.957million compared to profit before taxation RM1.072 million in the immediate preceding quarter. The decreased in Group's revenue for the current quarter was mainly due to decrease revenue recognition from on-going project in the Property Development business segment.

### **b) Discontinued operation**

For the current quarter under review, the Disposal group record revenue and loss before tax of RM2.645 million and RM0.802 million respectively, compared to revenue of RM15.641 million and loss before tax of RM1.228 million in the preceding year corresponding period. The decline in profit was due to decrease in consumer demand in trading, retailing & manufacturing segment of the Disposal group.

## **B3. Current Financial Year Prospect**

The Board of Directors is of the opinion that the Group's venture into property development segment will continue its growth and contribute positively to the Group's performance.

Further details of the Proposals are set out in the ensuing sections.

Moving forward, the Company expects to further turnaround its financial performances in the immediate term by further growing our property development business segment by continuously seeking for opportunities to acquire more lands with good prospects for its future property development activities. In addition, the Group also will continuously seek joint venture opportunities with other established property developers in Malaysia to develop the Group's credential as a property developer.

#### **B4. Profit Forecast and Profit Guarantee**

The Group has not provided any profit forecast or profit guarantee in a public document.

#### **B5. Quoted Securities**

(a) There was no purchase or disposal of quoted securities for the current quarter and financial period to date.

(b) There is no investment in quoted securities as at the end of the quarter under review.

#### **B6. Corporate Proposals**

On 3 August 2015, AmInvestment Bank Berhad, on behalf of the Board, announced that the Company had on even date, entered into five (5) separate memorandums of understanding (“**MOUs**”) with the following parties:

(i) PTS Properties, Boo Kuang Loon and Apple Impression Sdn Bhd in respect of the Proposed Acquisition of PTSI;

(ii) Admiral City for the Proposed Acquisition of Impression Land and Proposed Melaka JV;

(iii) Pang Kwee Yin and Wong See Ming in respect of the Proposed Acquisition of Terrawest (“**Terrawest MOU**”);

(iv) Sia Chien Vui, Dato’ Sri Lee Ee Hoe and PTS Properties in respect of the Proposed Acquisition of Yuten; and

(v) Lim Hooi Yen and Beeh Boon Siang in respect of the Proposed Acquisition of L&B (“**L&B MOU**”).

Pursuant to the MOUs, the parties have agreed to negotiate exclusively in good faith the detailed terms and conditions for each of the proposals above with the intention of entering into definitive agreements.

The MOUs take effect from the date of the MOUs and shall remain in force until the expiry of three (3) months (except for the MOU entered into with Admiral City that shall remain in force until the expiry of two (2) months) from the date of the MOUs or any other date to be mutually agreed in writing by the parties.

On 26 October 2015, the Company had entered into definitive agreements in respect of the Proposed Acquisition of Impression Land, Proposed Melaka JV, Proposed Acquisition of PTSI and Proposed Acquisition of Yuten. The L&B MOU is extended to 2 February 2016 while the Terrawest MOU is intended to be extended to 2 February 2016, pending execution of a written confirmation on such extension.

## Corporate Proposals (Cont'd)

Please refer to Section A16 (b) and (d) of Part A for further details of the status of the proposals above, which is also available on the website of Bursa Malaysia Securities Berhad.

### B7. Sales of Unquoted Investments and/or Investment Properties

There were no sales of unquoted investments and properties during the financial quarter under review.

### B8. Derivative Financial Instruments

The group did not have any derivative financial instruments as at the end of the reporting period.

### B9. Changes in Material Litigation

There was no pending material litigation as at the end of the financial year up to the date of this announcement.

### B10. Dividends

The Directors has not recommended any payment of dividends in respect of the financial period ended September 2015.

### B11. Taxation

	Quarter Ended		Year To date Ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Tax comprises:-				
-Malaysia Income Tax	279	(479)	279	(479)
- Deferred Tax	-	-	-	-
Tax expenses for the period	<u>279</u>	<u>(479)</u>	<u>279</u>	<u>(479)</u>

The effective tax rate for the current quarter and financial year-to-date was higher than the effective statutory tax rate as there is no group's tax relief and certain expenses are not deductible for tax purposes.

## B12. Group Borrowings

	As at 30.09.2015 ( RM'000)
<u>Current (Secured)</u>	
Bank overdraft	4,212
Term loans	10,550
Hire purchase payable	39
Total	<u>14,801</u>
<u>Non-current (Secured)</u>	
Term loans	10,333
Hire purchase payable	100
Total	<u>10,433</u>

All borrowings were secured and denominated in Ringgit Malaysia.

## B13. Notes to Statements of Comprehensive Income

	Current quarter		Cumulative quarter	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	RM'000	RM'000	RM'000	RM'000
Profit before taxation for the period is arrived at after charging /(crediting) the following:				
interest expenses	387	791	387	791
Depreciation of property, plant and equipment	333	423	333	423
Bad debts written off				
Property, plant and equipment written off	145	197	145	197
(Gain)/loss on foreign currency exchange-realised	-	30	-	30
Gain from a bargain purchase	-	(1,930)	-	(1,930)

Other than the above, the items listed under Appendix 9B Note 16 of the listing Requirement of Bursa Malaysia Securities Berhad are not applicable.

## B14. Realised and Unrealised Earnings or Losses Disclosure

The (accumulated losses)/unappropriated profits as at 30 September 2015 and 30th June 2015 is analysed as follows:

	30.09.2015	30.06.2015
	RM'000	RM'000
Total (accumulated losses)/unappropriated profits of the company and its subsidiaries:		
- Realised loss	(4,552)	(4,685)
- Unrealised profit	-	257
Total group accumulated losses as per consolidated financial statements	<u>(4,552)</u>	<u>(4,428)</u>



## B15. Earnings / (Loss) Per Share

### a. Basic

Basic earnings/(loss) per share is calculated by dividing net profit/(loss) for the financial period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the financial period.

	Quarter Ended		Year to dated Ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
<b>Net (loss)/profit attributable to equity holders of the Company</b>				
-from continuing operations	678	2,638	678	2,638
-from discontinued operation	(802)	(380)	(802)	(380)
	<u>(124)</u>	<u>2,258</u>	<u>(124)</u>	<u>2,258</u>
	('000)	('000)	('000)	('000)
Weighted average number of shares in issue	<u>160,345</u>	<u>40,115</u>	<u>160,345</u>	<u>40,115</u>
<b>Basic (loss) / earnings per share attributable to equity holders of the Company</b>	Sen	Sen	Sen	Sen
-from continuing operations	0.42	6.58	0.42	6.58
-from discontinued operation	(0.50)	(0.95)	(0.50)	(0.95)
	<u>(0.08)</u>	<u>5.63</u>	<u>(0.08)</u>	<u>5.63</u>
<b>b. Diluted</b>				
	('000)	('000)	('000)	('000)
Weighted average number of shares in issue	160,345	40,115	160,345	40,115
Effect of Warrant	5,926	-	5,926	-
Adjusted weighted average number of ordinary shares in issue and issuable	<u>166,271</u>	<u>40,115</u>	<u>166,271</u>	<u>40,115</u>
<b>Diluted earning per share attributable to equity holders of the Company :</b>	Sen	Sen	Sen	Sen
-from continuing operations	0.41	6.58	0.41	6.58
-from discontinued operation	(0.48)	(0.95)	(0.48)	(0.95)
	<u>(0.07)</u>	<u>5.63</u>	<u>(0.07)</u>	<u>5.63</u>

## B16. Authorised For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 November 2015.