

YONG TAI BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER 31 DECEMBER 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
	31.12.2015	31.12.2014 (Restated)	31.12.2015	31.12.2014 (Restated)
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	12,174	15,433	19,421	32,641
Cost of sales	(4,478)	(13,445)	(8,958)	(28,262)
Gross profit	<u>7,696</u>	<u>1,988</u>	<u>10,463</u>	<u>4,379</u>
Other income	93	17	146	2,039
Other expenses	(3,646)	(2,307)	(4,686)	(3,459)
Operating profit	<u>4,143</u>	<u>(302)</u>	<u>5,923</u>	<u>2,959</u>
Finance costs	(172)	(135)	(271)	(279)
Shares of results of joint ventures	(2,680)	-	(3,404)	-
Profit /(loss) before tax	<u>1,291</u>	<u>(437)</u>	<u>2,248</u>	<u>2,680</u>
Taxation	(1,110)	(43)	(1,389)	(522)
Profit /(loss) for the period				
- From continuing operations	181	(480)	859	2,158
- From discontinued operation	629	(1,033)	(173)	(1,413)
Profit /(loss) for the period	<u>810</u>	<u>(1,513)</u>	<u>686</u>	<u>745</u>
Other comprehensive income, net of tax	-	-	-	-
Total Comprehensive income /(expenses) for the period	<u>810</u>	<u>(1,513)</u>	<u>686</u>	<u>745</u>
Net profit /(loss) attributable to equity holders of the Company				
- From continuing operations	181	(480)	859	2,158
- From discontinued operation	629	(1,033)	(173)	(1,413)
	<u>810</u>	<u>(1,513)</u>	<u>686</u>	<u>745</u>
Non-controlling interest	-	-	-	-
Total Comprehensive income /(expenses) attributable to:				
Equity holders of the Company	810	(1,513)	686	745
Non-controlling interest	-	-	-	-
	<u>810</u>	<u>(1,513)</u>	<u>686</u>	<u>745</u>
Basic earnings /(loss) per share attributable to equity holders of the Company (sen)				
- From continuing operations	0.11	(1.20)	0.54	5.38
- From discontinued operation	0.39	(2.58)	(0.11)	(3.52)
	<u>0.51</u>	<u>(3.77)</u>	<u>0.43</u>	<u>1.86</u>
Diluted earnings/ (loss) per share attributable to equity holders of the Company (sen)				
- From continuing operations	0.11	(1.20)	0.51	5.38
- From discontinued operation	0.37	(2.58)	(0.10)	(3.52)
	<u>0.48</u>	<u>(3.77)</u>	<u>0.41</u>	<u>1.86</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 SECOND QUARTER 31 DECEMBER 2015

	(Unaudited) 31.12.2015 RM'000	(Audited) 30.06.2015 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	12,633	15,844
Investment properties	-	11,900
Investment in joint venture	24,500	24,500
Interest in joint operation	10,500	10,500
	47,633	62,744
Current Assets		
Property development cost	18,334	10,908
Inventories	552	6,826
Trade receivables	3,018	9,316
Other receivables	46,465	21,568
Other current assets	3,540	-
Current tax assets	277	992
Cash and bank balances	2,018	42,504
	74,204	92,114
TOTAL ASSETS	121,837	154,858
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	80,172	80,172
Reserves		
Share premium	2,221	2,221
Other reserves	6,218	6,218
Accumulated losses	(3,742)	(4,428)
	84,869	84,183
Non-controlling interest	-	-
Total equity	84,869	84,183
Non-current Liabilities		
Borrowings	4,377	2,254
	4,377	2,254
Current Liabilities		
Trade payables	15,210	35,582
Other payables	11,280	12,972
Amount due to Directors	1,889	2,870
Bank overdraft	2,796	5,833
Borrowings	40	10,692
Provision for taxation	1,376	472
	32,591	68,421
Total Liabilities	36,968	70,675
TOTAL EQUITY AND LIABILITIES	121,837	154,858
Net Assets per share (RM)	0.53	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 SECOND QUARTER 31 DECEMBER 2015

	6 months ended 31.12.2015 (RM'000)	6 months ended 31.12.2014 (RM'000)
Cash flows from operating activities		
Net profit before taxation		
From continuing operation	2,248	2,666
From discontinuing operation	(173)	(1,287)
	<u>2,075</u>	<u>1,379</u>
Adjustments for:-		
Share of results of joint ventures	3,404	-
Depreciation of property, plant and equipment	544	870
Interest expenses	653	1,262
Property, plant and equipment written off	145	197
Gain on disposal of subsidiary companies	(3,174)	-
Operating profit before changes in working capital	<u>3,647</u>	<u>3,708</u>
Decrease /(increase) in working capital		
Inventories	1,545	776
Receivables	(29,596)	(17,785)
Property development cost	(7,425)	(1,187)
Payables	(5,964)	21,124
Amount due to Directors	(861)	3,639
Cash (used in)/generated from operations	<u>(38,654)</u>	<u>10,275</u>
Interest paid	(653)	(1,262)
Net Tax (paid)/ refunded	(684)	(120)
Net cash (used in)/ from operating activities	<u>(39,991)</u>	<u>8,893</u>
Cash flows from investing activities		
Proceeds from disposal of subsidiary company, net of cash and cash equivalents disposed	942	-
Investment in subsidiary company	-	(1,000)
Purchase of property, plant and equipment	(501)	(831)
Net cash from /(used in) investing activities	<u>441</u>	<u>(1,831)</u>
Cash flows from financing activities		
Proceed from issuance new ordinary shares	-	1,000
Drawdown of term loans	2,144	-
Repayment of hire purchase creditors	(19)	(35)
Net proceeds from/(repayment of) from term loans	(24)	(5,720)
Net cash from/(used in) financing activities	<u>2,101</u>	<u>(4,755)</u>
Net (decrease)/increase in cash & cash equivalents	(37,449)	2,307
Cash and cash equivalents at beginning of period	36,671	(5,804)
Cash and cash equivalents at end of period	<u>(778)</u>	<u>(3,497)</u>
Cash and cash equivalents comprise:		
Cash and bank balances	2,018	3,079
Bank overdrafts	(2,796)	(6,576)
	<u>(778)</u>	<u>(3,497)</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 SECOND QUARTER 31 DECEMBER 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)	(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	-	-	-	745	745	-	745
At 31 December 2014	40,115	1,626	-	(25,249)	16,492	-	16,492

FOR THE SECOND QUARTER 31 DECEMBER 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)	(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 profit for the period	-	-	-	686	686	-	686
At 31 December 2015	80,172	2,221	6,218	(3,742)	84,869	-	84,869

(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 NOTES000
FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 31.12.2014		
	As	Disposal	As
	previously	Group	Restated
	stated	MFRS 5	
	RM'000	RM'000	RM'000
Revenue	25,155	9,722	15,433
Cost of sales	(20,423)	(6,978)	(13,445)
Gross profit	4,732	2,744	1,988
Other income	139	122	17
Other expenses	(5,794)	(3,487)	(2,307)
Finance costs	(471)	(336)	(135)
Loss before tax	(1,394)	(957)	(437)
Taxation	(119)	(76)	(43)
Loss for the period from continuing operations	(1,513)	(1,033)	(480)
Loss for the period from discontinued operation	-	1,033	(1,033)

	Preceding year to date 31.12.2014		
	As	Disposal	As
	previously	Group	Restated
	stated	MFRS 5	
	RM'000	RM'000	RM'000
Revenue	50,918	18,277	32,641
Cost of sales	(40,201)	(11,939)	(28,262)
Gross profit	10,717	6,338	4,379
Other income	2,300	261	2,039
Other expenses	(10,376)	(6,917)	(3,459)
Finance costs	(1,262)	(983)	(279)
Profit / (Loss) before tax	1,379	(1,301)	2,680
Taxation	(634)	(112)	(522)
Profit for the period from continuing operations	745	(1,413)	2,158
Loss for the period from discontinued operation	-	1,413	(1,413)

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

There were no changes in the composition of the Group during the financial period under review except the following:-

Discontinued operation and disposal of subsidiaries

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 100% equity interest in Yong Tai Brothers Trading Sdn Bhd (“YTBT”), a wholly-owned subsidiary of the Company, for cash consideration of RM500,000/-. The gain on disposal amounted to RM3.174 million.

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

	Property development	Dyeing	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
6 months ended 31.12.2015							
External sales	12,755	6,666	-	-	19,421	2,885	22,306
Inter-segment sales		-	60	(60)	-		-
Total	12,755	6,666	60	(60)	19,421	2,885	22,306
Results:-							
Segmental result	7,003	805	(1,885)	-	5,923	(2,966)	2,957
Unallocated corporate income					-	-	-
Operating profit /(loss)					5,923	(2,966)	2,957
Gain on disposal of subsidiary company					-	3,174	3,174
Finance costs					(271)	(381)	(652)
Share of results of joint ventures					(3,404)	-	(3,404)
Profit /(loss) before taxation					2,248	(173)	2,075
Taxation					(1,389)	-	(1,389)
Profit /(loss) after taxation					859	(173)	686
Non-controlling interest					-	-	-
Profit/(loss) for the period					859	(173)	686
Other information							
Segment assets	80,449	21,660	19,728	-	121,837	-	121,837
Unallocated corporate assets							-
Total consolidated corporate assets							121,837
Segment liabilities	28,722	7,897	349	-	36,968	-	36,968
Unallocated corporate liabilities							-
Total consolidated corporate liabilities							36,968
6 months ended 31.12.2014							
Revenue							
External sales	27,263	5,378	-	-	32,641	18,492	51,133
Inter-segment sales	-	-	60	(60)	-	(215)	(215)
Total	27,263	5,378	60	(60)	32,641	18,277	50,918
Results:-							
Segmental result	1,451	(178)	(243)	-	1,030	(318)	712
Unallocated corporate income					1,929	-	1,929
Operating profit					2,959	(318)	2,641
Gain on disposal of subsidiary company					-	-	-
Finance costs					(279)	(983)	(1,262)
Profit /(loss) before taxation					2,680	(1,301)	1,379
Taxation					(522)	(112)	(634)
Profit /(loss) after taxation					2,158	(1,413)	745
Non-controlling interest					-	-	-
Profit/(loss) for the period					2,158	(1,413)	745
Other information							
Segment assets	20,545	14,481	2,041	-	37,067	54,232	91,299
Unallocated corporate assets							-
Total consolidated corporate assets							91,299
Segment liabilities	18,670	8,523	90	-	27,283	47,524	74,807
Unallocated corporate liabilities							-
Total consolidated corporate liabilities							74,807

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 01.10.2015- 22.10.2015 RM'000	Proceeding Year Quarter 31.12.2014 RM'000	Current Year To Date From 01.07.2015- 22.10.2015 RM'000	Proceeding Year To Date 31.12.2014 RM'000
Revenue	420	9,722	2,885	18,277
Cost of sales	(1,352)	(6,978)	(2,213)	(11,939)
Gross profit	(932)	2,744	672	6,338
Other income	22	122	102	261
Other expenses	(1,542)	(3,487)	(3,740)	(6,917)
Finance costs	(93)	(336)	(381)	(983)
Loss before tax	(2,545)	(957)	(3,347)	(1,301)
Taxation	-	(76)	-	(112)
Loss after tax	(2,545)	(1,033)	(3,347)	(1,413)
Gain on disposal of subsidiary company	3,174	-	3,174	-
Profit / (loss) from discontinued operations	629	(1,033)	(173)	(1,413)

Discontinued Operation/Disposal of subsidiary (Cont'd)

The effect of the disposal, YBTB the financial position of the Group are as follow :

	YBTB RM'000
Amount due to directors	
Property, plant and equipment	3,022
Investment property	11,900
Inventories	4,728
Trade and other receivables	7,458
Cash and bank balances	259
Tax in credit	914
Trade and other payables	(19,505)
Amount due to directors	(119)
Term loan	(10,630)
Bank overdraft	(701)
Share of net assets disposed	(2,674)
Gain on disposal of subsidiary company	3,174
	500
Less : Cash and cash equivalents in subsidiary disposed	442
Net of cash and cash equivalents on disposal of subsidiary	942

A16. Subsequent Events

- a) On 19 January 2016, on behalf of the Board, AmInvestment Bank Berhad (“**AmInvestment Bank**”) announced that the Company had been notified of the conditional approval letter from Dewan Bandaraya Kuala Lumpur (“**DBKL**”) dated 2 November 2015 received by Yuten Development Sdn Bhd (“**Yuten**”) in relation to the application for the development order for the U-Thant Project (being the intended development project to be undertaken by Yuten and Fahad Holdings Sdn Bhd) whereby one of the conditions imposed is that the density of the U-Thant Project is lower than the density stipulated in the condition precedent of the conditional Sale and Purchase Agreement.

After careful consideration, the Board had decided not to proceed with the Proposed Acquisition of Yuten and consequently on 19 January 2016, YTB and the Yuten Vendors have agreed to mutually terminate the Yuten SSA with immediate effect via a mutual termination letter.

Pursuant to the termination, the Proposed Acquisition of Yuten has been aborted.

- b) On 5 February 2016, on behalf of the Board, AmInvestment Bank announced that the Board has resolved to undertake the following proposals:

(i) **Proposed Capitalisation**

On 4 February 2016, YTB had entered into the following four (4) settlement agreements:-

Subsequent Events (Cont'd)

- (aa) YTB and PTS Impression Sdn Bhd (“**PTSI**”) had entered into three (3) settlement agreements with the respective creditors of PTSI namely PTS Properties Sdn Bhd (“**PTS Properties**”), Boo Kuang Loon and Apple Impression Sdn Bhd (“**Apple Impression**”); and
- (bb) YTB and Impression Wonders Arts (M) Sdn Bhd (the wholly-owned subsidiary of PTSI) had entered into a settlement agreement with Beijing Impression Wonders Culture Development Co. Ltd (“**Beijing Impression**”);

(PTS Properties, Boo Kuang Loon, Apple Impression and Beijing Impression are collectively referred to as “**PTSI’s Creditors**”),

for the proposed capitalisation of approximately RM43.8 million in aggregate of the amounts due by PTSI and its wholly-owned subsidiary to the PTSI’s Creditors through the issuance of 54,786,250 new ordinary shares of RM0.50 each in YTB (“**YTB Shares**”) at an issue price of RM0.80 each.

(ii) Proposed Special Issue

On 4 February 2016, YTB had entered into a subscription agreement with Impression Culture Asia Limited (“**Impression Culture**”) in relation to:

- (aa) the proposed special issue of 150,000,000 new YTB Shares at an issue price of RM0.80 each to Impression Culture (“**Proposed Special Issue of Shares**”); and
- (bb) the proposed special issue of 200,000,000 new irredeemable convertible preference shares of RM0.80 each in YTB (“**ICPS**”) at an issue price of RM0.80 each to Impression Culture (“**Proposed Special Issue of ICPS**”).

The Proposed Special Issue of Shares and Proposed Special Issue of ICPS are collectively referred to as the “**Proposed Special Issue**”.

(iii) Proposed Bonus Issue of ICPS

Proposed bonus issue of up to 20,046,000 new ICPS on the basis of one (1) new ICPS for every ten (10) YTB Shares held by the shareholders of the Company as at an entitlement date to be determined and announced later.

Subsequent Events (Cont'd)

(iv) Proposed Placement

Proposed private placement of up to 70,000,000 new YTB Shares to independent third party investor(s) to be identified.

(v) Proposed M & A Amendments

Proposed amendments to the Memorandum and Articles of Association of YTB ("M&A") to facilitate the issuance of ICPS pursuant to the Proposed Special Issue of ICPS and Proposed Bonus Issue of ICPS.

(vi) Proposed Diversification

Proposed diversification of the existing core businesses of YTB and its subsidiaries to include the business activity of development and operation of cultural performances and related activities.

The Proposed Capitalisation, Proposed Special Issue, Proposed Bonus Issue of ICPS and Proposed Placement are collectively referred to as the "**Proposed Issue of Securities**".

Upon completion of the Proposed Special Issue of Shares as well as subsequent conversions of ICPS, Impression Culture shall have an obligation to extend a mandatory take-over offer for the remaining securities in YTB not already held by Impression Culture and its persons acting in concert (if any). Impression Culture intends to seek an exemption from the Securities Commission of Malaysia from the obligation to extend a mandatory take-over offer arising from the Proposed Special Issue of Shares and the subsequent conversion of ICPS ("**Proposed MGO Exemption**").

- c) On 19 February 2016, AmInvestment Bank, on behalf of the Board, announced that the parties to the L&B MOU have mutually agreed to extend the L&B MOU to 2 May 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 the Terrawest Vendors for the Proposed Acquisition of Terrawest and it is the intention of the parties to extend the Terrawest MOU 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 RM19.421 million during financial period ended 31 December 2015 as compared to RM32.641 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 RM2.248 million for 6 months compared to profit before taxation RM2.68 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:-

(i) Property development segment

The second joint venture project of the Company, namely "The Apple" has just started contributing to the Group performance for the period under review. The Apple is a mixed -development project comprising of inter-alia a sixteen(16)-storey four (4) star hotel known as "Courtyard by Marriott", a thirty-two(32)-storey block of services apartments and the Podium on the development land. It has started casting the pile caps.

The Company's property development division has recorded a revenue level of RM12.755 million, representing 65.67% of the Group's total revenue of RM19.421 million. The Group has recognized the revenue of RM12.755 million based on the construction progress for its property development project in Melaka.

(ii) The dyeing segment

The dyeing segment registered revenue of RM6.666 million for the first 6 months compared to RM5.378 million in the previous year corresponding period. The increase in turnover was mainly due to increase in consumer demand in dyeing segment.

Review of Performance (Cont'd)

b) Discontinuing operation

The Disposal group record revenue and loss before tax of RM2.885 million and RM3.347 million respectively, compared to revenue of RM18.277 million and loss before tax of RM1.301 million in the preceding year corresponding period. The gain of disposal of subsidiary attributable to discontinue operation amounted RM3.174 million. It result losses from discontinued operation decreased to RM0.173 million.

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 RM12.174 million compared to RM7.247 million in the immediate preceding quarter. Profit before taxation in the current quarter was RM1.291 million compared to profit before taxation RM0.957 million in the immediate preceding quarter. The increased 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 RM0.42 million and RM2.545 million respectively, compared to revenue of RM2.465 million and loss before tax of RM0.802 million in the preceding year corresponding period. The decline in revenue 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

- a) On 3 August 2015, on behalf of the Board, AmInvestment Bank 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 (as defined in Section B6(c)(iii) of Part [B] below);
 - (ii) Admiral City Sdn Bhd for the Proposed Acquisition of Impression Land (as defined in Section B6(c)(i) of Part [B] below) and Proposed Melaka JV (as defined in Section B6(c)(ii) of Part [B] below);
 - (iii) Pang Kwee Yin and Wong See Ming in respect of 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 (“**Terrawest MOU**”);
 - (iv) Sia Chien Vui, Dato’ Sri Lee Ee Hoe and PTS Properties in respect of the proposed acquisition by YTB of the entire equity interest in 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 (“**Proposed Acquisition of Yuten**”);
 - (v) Lim Hooi Yen and Beeh Boon Siang in respect of the Proposed Acquisition of L&B (“**L&B MOU**”).
- b) On 22 October 2015, the Company announced that YTB had entered into a Share Sale Agreement with Diamond Galaxy Sdn. Bhd. for the disposal of 500,000 ordinary shares of RM1.00 each in Yong Tai Brothers Trading Sdn. Bhd. (“**YTB**”), representing the entire equity interest in YTB for a total cash consideration of RM500,000/-.

Corporate Proposals (Cont'd)

Following the completion of the disposal on 22 October 2015, YTBT has ceased to be a subsidiary of YTB.

- c) On 26 October 2015, AmInvestment Bank, on behalf of the Board, announced that the following agreements were entered into:
- (i) conditional Sale and Purchase Agreement between YTB Impression Sdn Bhd (“**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**”);
 - (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**”).
- d) On 9 November 2015, the Company announced that Syarikat Koon Fuat Industries Sdn Bhd (“**SKF**”), a wholly-owned subsidiary of YTB, had entered into a conditional sale and purchase agreement with Mr. Teo Hock 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/-.

Corporate Proposals (Cont'd)

- e) 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.
- f) On 25 November 2015, AmInvestment Bank, on behalf of the Board, announced that the parties to the Terrawest MOU have mutually agreed to extend the Terrawest MOU. Other than the above, all other terms stated in the L&B MOU remain unchanged.

Please refer to Section A16 (a),(b) and (c) 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. Derivative Financial Instruments

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

B8. Sales of Unquoted Investments and/or Investment Properties

Except as disclose below, there were no sales of unquoted investments or investment properties during the financial period under review and financial year to-date:

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.

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 December 2015.

B11. Taxation

	Quarter Ended		Year To date Ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Tax comprises:-				
-Malaysia Income Tax	1110	43	1389	522
- Deferred Tax	-	-	-	-
Tax expenses for the period	<u>1,110</u>	<u>43</u>	<u>1,389</u>	<u>522</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 31.12.2015
(RM'000)

Current (Secured)

Bank overdraft	2,796
Hire purchase payable	<u>40</u>
Total	<u>2,836</u>

Non-current (Secured)

Term loans	4,288
Hire purchase payable	<u>89</u>
Total	<u>4,377</u>

All borrowings were secured and denominated in Ringgit Malaysia.

B13. Notes to Statements of Comprehensive Income

	Current quarter		Cumulative quarter	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Profit before taxation for the period is arrived at after charging /(crediting) the following:				
interest expenses	266	471	653	1,262
Depreciation of property, plant and equipment	211	447	544	870
Property, plant and equipment written off	-	-	145	197
(Gain)/loss on foreign currency exchange-realised	-	(86)	-	(56)
Gain from a bargain purchase	-	-	-	(1,930)
Gain on disposal investment in subsidiary company	(3,174)	-	(3,174)	-

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 31 December 2015 and 30th June 2015 is analysed as follows:

Realised and Unrealised Earnings or Losses Disclosure (Cont'd)

	31.12.2015 RM'000	30.06.2015 RM'000
Total (accumulated losses)/unappropriated profits of the company and its subsidiaries:		
- Realised loss	(3,742)	(4,685)
- Unrealised profit	-	257
Total group accumulated losses as per consolidated financial statements	<u>(3,742)</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	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Net profit / (loss) attributable to equity holders of the Company				
-from continuing operations	181	(480)	859	2,158
-from discontinued operation	629	(1,033)	(173)	(1,413)
	<u>810</u>	<u>(1,513)</u>	<u>686</u>	<u>745</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>
Basic earnings/(loss) per share attributable to equity holders of the Company				
-from continuing operations	0.11	(1.20)	0.54	5.38
-from discontinued operation	0.39	(2.58)	(0.11)	(3.52)
	<u>0.51</u>	<u>(3.77)</u>	<u>0.43</u>	<u>1.86</u>
b. Diluted				
	('000)	('000)	('000)	('000)
Weighted average number of shares in issue	160,345	40,115	160,345	40,115
Effect of Warrant	7,501	-	7,501	-
Adjusted weighted average number of ordinary shares in issue and issuable	<u>167,846</u>	<u>40,115</u>	<u>167,846</u>	<u>40,115</u>
Diluted earnings/ (loss) per share attributable to equity holders of the Company :				
-from continuing operations	0.11	(1.20)	0.51	5.38
-from discontinued operation	0.37	(2.58)	(0.10)	(3.52)
	<u>0.48</u>	<u>(3.77)</u>	<u>0.41</u>	<u>1.86</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 19 February 2016.