

YONG TAI BERHAD
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER 31 MARCH 2016**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2016 (RM'000)	Preceding Year Corresponding Quarter 31.03.2015 (Restated) (RM'000)	Current Year To date 31.03.2016 (RM'000)	Preceding Year Corresponding Period 31.03.2015 (Restated) (RM'000)
Revenue	12,919	15,694	32,340	48,335
Cost of sales	(4,906)	(13,195)	(13,864)	(41,457)
Gross profit	8,013	2,499	18,476	6,878
Other income	636	27	782	2,066
Other expenses	(3,827)	(2,156)	(8,513)	(5,615)
Operating profit	4,822	370	10,745	3,329
Finance costs	(58)	(118)	(329)	(397)
Shares of results of joint ventures	(3,038)	-	(6,442)	-
Profit before tax	1,726	252	3,974	2,932
Taxation	(1,109)	(469)	(2,498)	(991)
Profit /(loss) for the period				
- From continuing operations	617	(217)	1,476	1,941
- From discontinued operation	-	542	(173)	(871)
Profit for the period	617	325	1,303	1,070
Other comprehensive income, net of tax	-	-	-	-
Total Comprehensive income for the period	617	325	1,303	1,070
Net profit /(loss) attributable to equity holders of the Company				
- From continuing operations	617	(217)	1,476	1,941
- From discontinued operation	-	542	(173)	(871)
	617	325	1,303	1,070
Non-controlling interest	-	-	-	-
	617	325	1,303	1,070
Total Comprehensive income /(expenses) attributable to:				
Equity holders of the Company	617	325	1,303	1,070
Non-controlling interest	-	-	-	-
	617	325	1,303	1,070
Basic earnings /(loss) per share attributable to equity holders of the Company (sen)				
- From continuing operations	0.38	(0.54)	0.92	4.84
- From discontinued operation	-	1.35	(0.11)	(2.17)
	0.38	0.81	0.81	2.67
Diluted earnings/ (loss) per share attributable to equity holders of the Company (sen)				
- From continuing operations	0.36	(0.54)	0.87	4.84
- From discontinued operation	-	1.35	(0.10)	(2.17)
	0.36	0.81	0.76	2.67

(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 THIRD QUARTER 31MARCH 2016

	(Unaudited) 31.03.2016 RM'000	(Audited) 30.06.2015 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	3,361	15,844
Investment properties	-	11,900
Investment in joint venture	24,500	24,500
Interest in joint operation	10,500	10,500
	<u>38,361</u>	<u>62,744</u>
Current Assets		
Property development cost	21,050	10,908
Inventories	463	6,826
Trade receivables	2,526	9,316
Other receivables	46,933	21,568
Other current assets	3,945	-
Current tax assets	484	992
Fixed deposit	2,000	-
Cash and bank balances	1,388	42,504
Assets held for sale	8,341	-
	<u>87,130</u>	<u>92,114</u>
TOTAL ASSETS	<u>125,491</u>	<u>154,858</u>
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	(3,125)	(4,428)
	<u>85,486</u>	<u>84,183</u>
Total equity	<u>85,486</u>	<u>84,183</u>
Non-current Liabilities		
Borrowings	14,367	2,254
	<u>14,367</u>	<u>2,254</u>
Current Liabilities		
Trade payables	9,657	35,582
Other payables	11,867	12,972
Amount due to Directors	1,497	2,870
Bank overdraft	-	5,833
Borrowings	40	10,692
Provision for taxation	2,577	472
	<u>25,638</u>	<u>68,421</u>
Total Liabilities	<u>40,005</u>	<u>70,675</u>
TOTAL EQUITY AND LIABILITIES	<u>125,491</u>	<u>154,858</u>
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 THIRD QUARTER 31 MARCH 2016

	9 months ended 31.03.2016 (RM'000)	9 months ended 31.03.2015 (RM'000)
Cash flows from operating activities		
Net profit before taxation		
From continuing operation	3,974	2,932
From discontinuing operation	(173)	(871)
	<u>3,801</u>	<u>2,061</u>
Adjustments for:-		
Share of results of joint ventures	6,441	-
Depreciation of property, plant and equipment	708	1,319
Interest expenses	710	1,965
Allowance of doubtful debts	-	1,002
Property, plant and equipment written off	145	197
Gain on disposal of property, plant and equipment	(547)	(16)
Gain on disposal of subsidiary companies	(3,174)	-
Operating profit before changes in working capital	<u>8,084</u>	<u>6,528</u>
Decrease /(increase) in working capital		
Inventories	1,634	954
Receivables	(19,737)	(21,419)
Property development cost	(10,142)	(2,257)
Payables	(24,209)	26,077
Amount due to Directors	(1,253)	2,254
Cash (used in)/generated from operations	<u>(45,623)</u>	<u>12,137</u>
Interest paid	(710)	(1,965)
Net Tax paid	<u>(799)</u>	<u>(179)</u>
Net cash (used in)/ from operating activities	<u>(47,132)</u>	<u>9,993</u>
Cash flows from investing activities		
Proceeds from disposal of subsidiary company, net of cash and cash equivalents disposed	942	-
Proceeds from disposal of property, plant, equipment	1,309	60
Investment in subsidiary company	-	(1,000)
Purchase of property, plant and equipment	(494)	(907)
Net cash from /(used in) investing activities	<u>1,757</u>	<u>(1,847)</u>
Cash flows from financing activities		
Proceed from issuance new ordinary shares	-	1,000
Pledged of fixed deposit	(2,000)	-
Net repayment of short term loan	(23)	(56)
Drawdown of term loans	12,144	-
Repayment of hire purchase creditors	(29)	(93)
Net proceeds from/(repayment of) from term loans	-	(7,973)
Net cash from/(used in) financing activities	<u>10,092</u>	<u>(7,122)</u>
Net (decrease)/increase in cash & cash equivalents	(35,283)	1,024
Cash and cash equivalents at beginning of period	36,671	(5,804)
Cash and cash equivalents at end of period	<u>1,388</u>	<u>(4,780)</u>
Cash and cash equivalents comprise:		
Cash and bank balances	1,388	1,168
Bank overdrafts	-	(5,948)
	<u>1,388</u>	<u>(4,780)</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 THIRD QUARTER 31 MARCH 2015

	← Attributable to equity holders of the Company →				Total (RM'000)	Non-controlling Interest (RM'000)	Total Equity (RM'000)
	← Non-distributable →		Distributable				
	Share Capital (RM'000)	Share Premium (RM'000)	Warrants reserve (RM'000)	Retained Earnings (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	-	-	-	1,070	1,070	-	1,070
At 31 March 2015	40,115	1,626	-	(24,924)	16,817	-	16,817

FOR THE THIRD QUARTER 31 MARCH 2016

	← Attributable to equity holders of the Company →				Total (RM'000)	Non-controlling Interest (RM'000)	Total Equity (RM'000)
	← Non-distributable →		Distributable				
	Share Capital (RM'000)	Share Premium (RM'000)	Warrants reserve (RM'000)	Retained Earnings (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	-	-	-	1,303	1,303	-	1,303
At 31 March 2016	80,172	2,221	6,218	(3,125)	85,486	-	85,486

(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 THIRD QUARTER ENDED 31 MARCH 2016
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 period to date have been reclassified and restated as follow:-

Comparative (Cont'd)

Condensed consolidated statement of comprehensive income

	Preceding quarter 31.03.2015		
	As previously stated	Disposal Group MFRS 5	As Restated
	RM'000	RM'000	RM'000
Revenue	34,817	19,123	15,694
Cost of sales	(22,655)	(9,460)	(13,195)
Gross profit	12,162	9,663	2,499
Other income	158	131	27
Other expenses	(10,935)	(8,779)	(2,156)
Finance costs	(703)	(585)	(118)
Profit before tax	682	430	252
Taxation	(357)	112	(469)
Profit/(Loss) for the period from continuing operations	325	542	(217)
Loss for the period from discontinued operation	-	(542)	542

	Preceding period to date 31.03.2015		
	As previously stated	Disposal Group MFRS 5	As Restated
	RM'000	RM'000	RM'000
Revenue	85,735	37,400	48,335
Cost of sales	(62,856)	(21,399)	(41,457)
Gross profit	22,879	16,001	6,878
Other income	2,458	392	2,066
Other expenses	(21,311)	(15,696)	(5,615)
Finance costs	(1,965)	(1,568)	(397)
Profit / (Loss) before tax	2,061	(871)	2,932
Taxation	(991)	-	(991)
Profit/(Loss) for the period from continuing operations	1,070	(871)	1,941
Loss for the period from discontinued operation	-	871	(871)

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 operations were not significantly affected by any seasonal or cyclical factors.

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 current quarter under review.

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
9 months ended 31.03.2016							
External sales	22,831	9,509	-	-	32,340	2,885	35,225
Inter-segment		-	1,580	(1,580)	-	-	-
Total	22,831	9,509	1,580	(1,580)	32,340	2,885	35,225
Results:-							
Segmental result	11,566	1,236	(2,057)	-	10,745	(2,966)	7,779
Unallocated corporate income					-	-	-
Operating profit/(loss)					10,745	(2,966)	7,779
Gain on disposal of subsidiary company					-	3,174	3,174
Finance costs					(329)	(381)	(710)
Share of results of joint ventures					(6,442)	-	(6,442)
Profit/(loss) before taxation					3,974	(173)	3,801
Taxation					(2,498)	-	(2,498)
Profit/(loss) after taxation					1,476	(173)	1,303
Non-controlling interest					-	-	-
Profit/(loss) for the period					1,476	(173)	1,303
Other information							
Segment assets	87,702	21,131	16,658	-	125,491	-	125,491
Unallocated corporate assets							-
Total consolidated corporate assets							125,491
Segment liabilities	32,388	7,085	532	-	40,005	-	40,005
Unallocated corporate liabilities							-
Total consolidated corporate liabilities							40,005
9 months ended 31.03.2015							
Revenue							
External sales	40,726	7,609	-	-	48,335	37,738	86,073
Inter-segment sales	-		90	(90)	-	(338)	(338)
Total	40,726	7,609	90	(90)	48,335	37,400	85,735
Results:-							
Segmental result	1,371	364	(336)	-	1,399	697	2,096
Unallocated corporate income					1,930	-	1,930
Operating profit					3,329	697	4,026
Gain on disposal of subsidiary company					-	-	-
Finance costs					(397)	(1,568)	(1,965)
Profit/(loss) before taxation					2,932	(871)	2,061
Taxation					(991)	-	(991)
Profit/(loss) after taxation					1,941	(871)	1,070
Non-controlling interest					-	-	-
Profit/(loss) for the period					1,941	(871)	1,070
Other information							
Segment assets	24,778	14,261	2,039	-	41,078	51,478	92,556
Unallocated corporate assets							-
Total consolidated corporate assets							92,556
Segment liabilities	23,625	7,907	40	-	31,572	44,167	75,739
Unallocated corporate liabilities							-
Total consolidated corporate liabilities							75,739

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 31.03.2016 RM'000	Proceeding Quarter 31.03.2015 RM'000	Current Period To Date 31.03.2016 RM'000	Proceeding Period To Date 31.03.2015 RM'000
Revenue	-	19,123	2,885	37,400
Cost of sales	-	(9,460)	(2,213)	(21,399)
Gross profit	-	9,663	672	16,001
Other income	-	131	102	392
Other expenses	-	(8,779)	(3,740)	(15,696)
Finance costs	-	(585)	(381)	(1,568)
Profit /(loss) before tax	-	430	(3,347)	(871)
Taxation	-	112	-	-
Profit /(loss) after tax	-	542	(3,347)	(871)
Gain on disposal of subsidiary company	-	-	3,174	-
Profit / (loss) from discontinued operations	-	542	(173)	(871)

Discontinued Operation/ Disposal of subsidiary(Cont'd)

The effect of the disposal YTBT on the financial position of the Group as follow :

	RM'000
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
	<u>500</u>
Less : Cash and cash equivalents in subsidiary disposed	442
Net of cash and cash equivalents on disposal of subsidiary	<u>942</u>

A16. Subsequent Events

- a) On 22 April 2016, YTB and the PTSI Vendors (namely PTS Properties, Mr. Boo Kuang Loon and Apple Impression Sdn Bhd) had entered into an addendum to the PTSI SPA (“**Addendum**”) to extend the period to fulfil the conditions precedent of the PTSI SPA for another six (6) months commencing from 26 April 2016 to 25 October 2016 (“**Extension**”). Other than the Extension, all other terms and conditions provided in the PTSI SPA remain unchanged.
- b) On 3 May 2016, on behalf of the Board, AmInvestment Bank announced that the parties to the L&B MOU and Terrawest MOU have mutually agreed to extend the L&B MOU and Terrawest MOU to 2 August 2016. Other than the aforementioned, all other terms stated in the L&B MOU and Terrawest MOU remain unchanged.
- c) On 13 May 2016, the Board of Directors of Yong Tai Berhad announced that 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/- by Syarikat Koon Fuat Industries Sdn. Bhd. ("SKF"), a wholly-owned subsidiary of the Company, to Mr. Teo Hock Chuan has been completed in accordance with the terms and conditions of the Sale & Purchase Agreement.

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, YTB T is a disposal group held for sale and accordingly was classified as Discontinued operation.

a) Continuing operation

The Group's recorded revenue of RM32.34 million during financial period ended 31 March 2016 as compared to RM48.335 million in the preceding year's corresponding period. The decrease in turnover was due to decrease revenue recognition from project Property Development business segment. The Group currently has one on-going project, namely The Apple, where the sub-basement and ground floor construction works is ongoing. This current project is expected to contribute positively to Group performance in coming quarters.

The Group's profit before taxation was RM3.974 million for 9 months compared to profit before taxation RM2.932 million in the preceding year's corresponding period. The increase in profit before tax is mainly arising from the increase 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.

The Company's property development division has recorded a revenue level of RM22.831 million, representing 70.60% of the Group's total revenue of RM32.34 million. The Group has recognized the revenue of RM22.831 million based on the construction progress for its property development project in Melaka.

(ii) The dyeing segment

The dyeing segment registered revenue of RM9.509 million for the first 9 months compared to RM7.609 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 RM37.4 million and loss before tax of RM0.871 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 RM12.919 million compared to RM12.174 million in the immediate preceding quarter. Profit before taxation in the current quarter was RM1.726 million compared to profit before taxation RM1.291 million in the immediate preceding quarter. The increased in Group's revenue for the current quarter was mainly due to increase revenue recognition from on-going project in the Property Development business segment.

b) Discontinued operation

On 22 October 2015, the Company had disposal of the 100% equity interest in Yong Tai Brothers Trading Sdn Bhd ("YTBT"), caused there is no revenue and profit/ loss before tax recorded for Disposal group under current quarter under review if compare revenue of RM0.42 million and loss before tax of RM2.545 million in the preceding year corresponding period.

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 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:-

- (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**”),

Corporate Proposals (Cont'd)

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.

(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.**Corporate Proposals (Cont'd)**

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

Corporate Proposals (Cont'd)

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.
- d) On 22 February 2016, AmInvestment Bank, on behalf of the board announced that an application has been submitted to Bursa Securities in respect of:-
- (i) listing of and quotation for 54,786,250 new YTB Shares to be issued pursuant to the Proposed Capitalisation;
 - (ii) listing of and quotation for 150,000,000 new YTB Shares to be issued pursuant to the Proposed Special Issue of Shares;
 - (iii) listing of and quotation for up to 220,046,000 new YTB Shares to be issued arising from the conversion of ICPS to be issued pursuant to the Proposed Special Issue of ICPS and Proposed Bonus Issue of ICPS;
 - (iv) listing of and quotation for up to 70,000,000 new YTB Shares to be issued pursuant to the Proposed Placement;
 - (v) admission of the ICPS to the Official List of Bursa Securities and the listing of and quotation for up to 220,046,000 new ICPS to be issued pursuant to the Proposed Special Issue of ICPS and Proposed Bonus Issue of ICPS;
 - (vi) the 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**”); and
 - (vii) the 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**”).

Corporate Proposals (Cont'd)

- e) On 23 February 2016, AmInvestment Bank, on behalf of the Board announced that the parties to the Terrawest MOU have mutually agreed to extend the Terrawest MOU to 2 May 2016. Other than the aforementioned, all other terms stated in the Terrawest MOU remain unchanged.
- f) On 9 March 2016, Syarikat Koon Fuat Industries Sdn. Bhd. ("SKF"), had entered into two (2) sale and purchase agreements ("SPAs") with Hup Seng Perusahaan Makanan (M) Sdn. Bhd. ("Hup Seng" or the "Purchaser"), a wholly-owned subsidiary of Hup Seng Industries Berhad for the:-

(i) Disposal of Leasehold Property

Disposal of a parcel of a leasehold land measuring approximately 51,721 square feet known as HS(D) 12111 PTD 1860, Mukim Linau, District of Batu Pahat, State of Johor together with the factory building erected thereon ("Leasehold Property"), for a cash consideration of RM4,150,000.

(ii) Disposal of Freehold Property

Disposal of a parcel of a freehold land measuring approximately 166,078 square feet known as HS(M) 672 Lot 766, Mukim Linau, District of Batu Pahat, State of Johor together with the factory buildings erected thereon ("Freehold Property"), for a cash consideration of RM12,350,000.

Please refer to Section A16 (a),(b) and (c) of Part A for further detail 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. 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.

On 9 March 2016, Syarikat Koon Fuat Industries Sdn. Bhd. ("SKF"), had entered into two (2) sale and purchase agreements ("SPAs") with Hup Seng Perusahaan Makanan (M) Sdn. Bhd. ("Hup Seng" or the "Purchaser"), a wholly-owned subsidiary of Hup Seng Industries Berhad for the:-

Unquoted Investments and/or Investment Properties (Cont'd)

(i) Disposal of Leasehold Property

Disposal of a parcel of a leasehold land measuring approximately 51,721 square feet known as HS(D) 12111 PTD 1860, Mukim Linau, District of Batu Pahat, State of Johor together with the factory building erected thereon ("Leasehold Property"), for a cash consideration of RM4,150,000.

(ii) Disposal of Freehold Property

Disposal of a parcel of a freehold land measuring approximately 166,078 square feet known as HS(M) 672 Lot 766, Mukim Linau, District of Batu Pahat, State of Johor together with the factory buildings erected thereon ("Freehold Property"), for a cash consideration of RM12,350,000.

The Sale and Purchase Agreement is yet to be completed. It was classified as "Assets held for sale" as at 31 March 2016 in accordance with MFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

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. Taxation

	Quarter Ended		Year To date Ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Tax comprises:-				
a) Malaysia Income Tax				
Continuing operations	(1,109)	(469)	(2,498)	(991)
Discontinued operation	-	112	-	-
b) Deferred Tax	-	-	-	-
Tax expenses for the period	<u>(1,109)</u>	<u>(357)</u>	<u>(2,498)</u>	<u>(991)</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.

B11. Dividends

The Directors has not recommended any payment of dividends in respect of the financial period ended March 2016.

B12. Group BorrowingsAs at 31.3.2016
(RM'000)

<u>Current (Secured)</u>	
Bank overdraft	-
Hire purchase payable	40
Total	<u>40</u>
<u>Non-current (Secured)</u>	
Term loans	14,288
Hire purchase payable	79
Total	<u>14,367</u>

All borrowings were secured and denominated in Ringgit Malaysia.

B13. Notes to Statements of Comprehensive Income

	Current quarter		Cumulative quarter	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Profit before taxation for the period is arrived at after charging /(crediting) the following:				
interest expenses	58	703	710	1,965
Depreciation of property, plant and equipment	164	449	708	1,319
Allowance for doubtful debts	-	1,002	-	1,002
Property, plant and equipment written off	-	197	145	197
Gain on disposal of property, plant and equipment	(547)	(16)	(547)	(16)
(Gain)/loss on foreign currency exchange-realised	-	27	-	(29)
(Gain)/loss on foreign currency exchange-unrealised	-	-	-	-
Gain from a bargain purchase	-	-	-	(1,930)
Gain on disposal investment in subsidiary company	-	-	(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 March 2016 and 30th June 2015 is analysed as follows:

	31.03.2016	30.06.2015
	RM'000	RM'000
Total (accumulated losses)/unappropriated profits of the company and its subsidiaries:		
- Realised loss	(3,125)	(4,685)
- Unrealised profit	-	257
Total group accumulated losses as per consolidated financial statements	<u>(3,125)</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	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	RM'000	RM'000	RM'000	RM'000
Net profit / (loss) attributable to equity holders of the Company				
-from continuing operations	617	(217)	1,476	1,941
-from discontinued operation	-	542	(173)	(871)
	<u>617</u>	<u>325</u>	<u>1,303</u>	<u>1,070</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	Sen	Sen	Sen	Sen
-from continuing operations	0.38	(0.54)	0.92	4.84
-from discontinued operation	-	1.35	(0.11)	(2.17)
	<u>0.38</u>	<u>0.81</u>	<u>0.81</u>	<u>2.67</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	10,004	-	10,004	-
Adjusted weighted average number of ordinary shares in issue and issuable	<u>170,349</u>	<u>40,115</u>	<u>170,349</u>	<u>40,115</u>
Diluted earnings/ (loss) per share attributable to equity holders of the Company :	Sen	Sen	Sen	Sen
-from continuing operations	0.36	(0.54)	0.87	4.84
-from discontinued operation	-	1.35	(0.10)	(2.17)
	<u>0.36</u>	<u>0.81</u>	<u>0.76</u>	<u>2.67</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 18 May 2016.