



**INTERIM FINANCIAL STATEMENTS**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

|   | Note | ← INDIVIDUAL QUARTER →                                       |  | ← CUMULATIVE QUARTER →                                 |   |
|---|------|--|--|--|---|
|   |      | CURRENT YEAR QUARTER ENDED 30/09/2017<br>UNAUDITED<br>RM'000 | PRECEDING YEAR CORRESPONDING QUARTER ENDED 30/09/2016<br>AUDITED<br>RM'000 | CURRENT YEAR TO DATE 30/09/2017<br>UNAUDITED<br>RM'000 | PRECEDING YEAR CORRESPONDING YEAR ENDED 30/09/2016<br>AUDITED<br>RM'000 |
| Revenue   | A9   | 20,084   | 14,595   | 51,553   | 62,614  |
| Cost of Sales   |      | (22,381)   | (21,731)   | (68,534)   | (67,297)  |
| <b>Gross Loss</b>   |      | <b>(2,297)</b>   | <b>(7,136)</b>   | <b>(16,981)</b>  | <b>(4,683)</b>  |
| Other Income  |      | 322  | 51   | 353  | 392   |
| Gain / (Loss) on Disposal of Property, Plant and Equipment            |      | (12)   | 3,087  | (279)  | 3,080   |
| Administrative Expenses   |      | (1,754)  | (2,168)  | (5,489)  | (5,491)   |
| Reversal of Provision for Bonus                                       |      | -  | -  | -  | 1,718   |
| Depreciation of Property, Plant and Equipment and Investment Property |      | (83)   | (102)  | (377)  | (363)   |
| Impairment of Receivables and Amount Due From Contract Customers      |      | (1,233)  | (19,107)   | (1,467)  | (19,064)  |
| Finance Costs   |      | (763)  | (3,576)  | (2,555)  | (4,399)   |
| Share of Loss of Associated Companies                                 |      | (16)   | (30)   | (53)   | (30)  |
| <b>Loss Before Taxation</b>   |      | <b>(5,836)</b>   | <b>(28,981)</b>  | <b>(26,848)</b>  | <b>(28,840)</b>   |
| Taxation  | B5   | 281  | (1,134)  | 297  | (1,164)   |
| <b>Net Loss for the Financial Year</b>                                |      | <b>(5,555)</b>   | <b>(30,115)</b>  | <b>(26,551)</b>  | <b>(30,004)</b>   |
| <b>Other Comprehensive Income</b>                                     |      |  |  |  |   |
| Exchange Translation Differences for Foreign Operations               |      | -  | -  | -  | 1   |
| <b>Total Comprehensive Loss for the Financial Year</b>                |      | <b>(5,555)</b>   | <b>(30,115)</b>  | <b>(26,551)</b>  | <b>(30,003)</b>   |
| <b>Loss for the Financial Year Attributable to:</b>                   |      |  |  |  |   |
| Equity Holders of the Company   |      | (5,555)  | (30,114)   | (26,551)   | (30,003)  |
| Non-controlling Interest  |      | -  | (1)  | -  | (1)   |
|   |      | <b>(5,555)</b>   | <b>(30,115)</b>  | <b>(26,551)</b>  | <b>(30,004)</b>   |
| <b>Total Comprehensive Loss Attributable to:</b>                      |      |  |  |  |   |
| Equity Holders of the Company   |      | (5,555)  | (30,114)   | (26,551)   | (30,002)  |
| Non-controlling Interest  |      | -  | (1)  | -  | (1)   |
|   |      | <b>(5,555)</b>   | <b>(30,115)</b>  | <b>(26,551)</b>  | <b>(30,003)</b>   |
| <b>Loss Per Share</b>   |      |  |  |  |   |
| Basic and Diluted (sen)   | B10  | (0.91)   | (4.94)   | (4.36)   | (4.93)  |

*The above Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to this interim financial statements.*



## INTERIM FINANCIAL STATEMENTS

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

|   | AS AT<br>30/09/2017<br>(UNAUDITED)<br>RM'000 | AS AT<br>30/09/2016<br>(AUDITED)<br>RM'000 |
|---|--|--|
| <b>Non-Current Assets</b>   |  |  |
| Property, Plant and Equipment   | 830  | 1,756                                      |
| Investment in Associated Companies  | 1,260  | 1,313                                      |
|   | <u>2,090</u>                                 | <u>3,069</u>                               |
| <b>Current Assets</b>   |  |  |
| Trade Receivables   | 7,182  | 13,751                                     |
| Retention Sum   | 9,205  | 12,736                                     |
| Amount Due From Customers for Contract Works  | 34,217                                       | 16,815                                     |
| Other Receivables, Deposits and Prepayments   | 4,644  | 4,054                                      |
| Tax Recoverable   | 25   | 74   |
| Cash and Bank Balances  | 169  | 128  |
|   | <u>55,442</u>                                | <u>47,558</u>                              |
| <b>TOTAL ASSETS</b>   | <u>57,532</u>                                | <u>50,627</u>                              |
| <b>EQUITY AND LIABILITIES</b>   |  |  |
| Share Capital   | 60,908                                       | 60,908                                     |
| Reserves  |  |  |
| Translation Reserve   | -  | 199  |
| Accumulated Losses  | (138,815)                                    | (112,264)                                  |
| <b>Equity Attributable to Equity Holders of the Company</b>                         | <u>(77,907)</u>                              | <u>(51,157)</u>                            |
| Non-controlling Interest  | (125)  | (125)                                      |
| <b>Total Equity</b>   | <u>(78,032)</u>                              | <u>(51,282)</u>                            |
| <b>Non-current Liabilities</b>  |  |  |
| Hire Purchase Payables  | 32   | 63   |
| Deferred Tax Liabilities  | -  | 101  |
|   | <u>32</u>                                    | <u>164</u>                                 |
| <b>Current Liabilities</b>  |  |  |
| Trade Payables  | 89,638                                       | 61,905                                     |
| Amount Due To Customers for Contract Works  | 662  | 1,958                                      |
| Other Payables and Accruals   | 25,873                                       | 16,780                                     |
| Hire Purchase Payables  | 53   | 97   |
| Bank Borrowings   | 18,955                                       | 20,474                                     |
| Tax Payables  | 351  | 531  |
|   | <u>135,532</u>                               | <u>101,745</u>                             |
| <b>TOTAL LIABILITIES</b>  | <u>135,564</u>                               | <u>101,909</u>                             |
| <b>TOTAL EQUITY AND LIABILITIES</b>   | <u>57,532</u>                                | <u>50,627</u>                              |
| Net Assets Per Share Attributable to Ordinary<br>Equity Holders of the Company (RM) | <u>(0.13)</u>                                | <u>(0.08)</u>                              |

*The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to this interim financial statements.*



**YFG BERHAD (499758-W)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

|   | ← Attributable to Owners of the Company → |                              |                                  |                                 |                 |                                       |                           |
|---|---|------------------------------|----------------------------------|---------------------------------|-----------------|---------------------------------------|---------------------------|
|   | ← Non-Distributable →                     |                              |                                  | Distributable Reserve           |                 |                                       |                           |
|   | Share<br>Capital<br>RM'000                | Warrant<br>Reserve<br>RM'000 | Translation<br>Reserve<br>RM'000 | Accumulated<br>Losses<br>RM'000 | Total<br>RM'000 | Non-controlling<br>Interest<br>RM'000 | Total<br>Equity<br>RM'000 |
| At 1 October 2016                                       | 60,908                                    | -                            | 199                              | (112,264)                       | (51,157)        | (125)                                 | <b>(51,282)</b>           |
| Loss/Total Comprehensive Loss for the<br>Financial Year | -   | -                            | (199)                            | (26,551)                        | (26,750)        | -                                     | <b>(26,750)</b>           |
| <b>At 30 September 2017</b>                             | <b>60,908</b>                             | <b>-</b>                     | <b>-</b>                         | <b>(138,815)</b>                | <b>(77,907)</b> | <b>(125)</b>                          | <b>(78,032)</b>           |
| At 1 October 2015                                       | 54,473                                    | 8,070                        | 198                              | (83,897)                        | (21,156)        | (124)                                 | (21,280)                  |
| Loss for the Financial Year                             | -   | -                            | -                                | (30,003)                        | (30,003)        | (1)                                   | (30,004)                  |
| Other Comprehensive Income                              | -   | -                            | 1                                | -                               | 1               | -                                     | 1                         |
| Total Comprehensive Loss for the<br>Financial Year      | -   | -                            | 1                                | (30,003)                        | (30,002)        | (1)                                   | (30,003)                  |
| Transactions with Owners:                               |   |                              |                                  |                                 |                 |                                       |                           |
| Exercise of Warrants                                    | 1   | -                            | -                                | -                               | 1               | -                                     | 1                         |
| Expiry of Warrants                                      | 6,434                                     | (8,070)                      | -                                | 1,636                           | -               | -                                     | -                         |
| <b>At 30 September 2016</b>                             | <b>60,908</b>                             | <b>-</b>                     | <b>199</b>                       | <b>(112,264)</b>                | <b>(51,157)</b> | <b>(125)</b>                          | <b>(51,282)</b>           |

*The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to this interim financial statements.*

**INTERIM FINANCIAL STATEMENTS**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30  
SEPTEMBER 2017**

|   | <b>Financial Year<br/>Ended<br/>30/09/2017<br/>(Unaudited)<br/>RM'000</b> | <b>Financial Year<br/>Ended<br/>30/09/2016<br/>(Audited)<br/>RM'000</b> |
|---|---|---|
| <b>Cash Flows From Operating Activities</b>                   |   |   |
| <b>Loss Before Tax</b>  | <b>(26,848)</b>   | <b>(28,840)</b>   |
| Adjustments for :-  |   |   |
| Depreciation of Property, Plant and Equipment (PPE)           | 410   | 612   |
| Impairment of Receivables                                     | 1,467   | 19,064  |
| Share of Loss of Associated Companies                         | 53  | 30  |
| Finance Costs   | 2,555   | 4,399   |
| Foreign Exchange Translation Gain of a Subsidiary Struck off  | (199)   | -   |
| Loss / (Gain) on Disposal of PPE                              | 279   | (3,391)   |
| <b>Operating Loss Before Changes in Working Capital</b>       | <b>(22,283)</b>   | <b>(8,126)</b>  |
| <b>Changes in Working Capital</b>                             |   |   |
| Net Changes in Current Assets                                 | (10,655)  | 559   |
| Net Changes in Current Liabilities                            | 36,194  | 4,120   |
| <b>Cash From / (Used In) Operations</b>                       | <b>3,255</b>  | <b>(3,447)</b>  |
| Net Tax Refund / (Paid)                                       | 65  | (544)   |
| <b>Net Cash From / (Used In) Operating Activities</b>         | <b>3,320</b>  | <b>(3,991)</b>  |
| <b>Cash Flows From Investing Activities</b>                   |   |   |
| Proceeds From Disposal of PPE                                 | 237   | 18,309  |
| Withdrawal of Pledged Fixed Deposits with Licensed Banks      | -   | 66  |
| Purchase of PPE   | -   | (153)   |
| <b>Net Cash From Investing Activities</b>                     | <b>237</b>  | <b>18,222</b>   |
| <b>Cash Flows For Financing Activities</b>                    |   |   |
| Interest Paid   | (2,555)   | (4,399)   |
| Repayment of Hire Purchase Payables                           | (73)  | (488)   |
| Repayment of Bank Borrowings                                  | -   | (8,905)   |
| <b>Net Cash Used In Financing Activities</b>                  | <b>(2,628)</b>  | <b>(13,792)</b>   |
| <b>Net Increase in Cash and Cash Equivalents</b>              | <b>929</b>  | <b>439</b>  |
| <b>Cash and Cash Equivalents at Beginning of Year</b>         | <b>(2,158)</b>  | <b>(2,597)</b>  |
| <b>Cash and Cash Equivalents at End of Year</b>               | <b>(1,229)</b>  | <b>(2,158)</b>  |
| <b>Cash and Cash Equivalents at End of Year Comprised of:</b> |   |   |
| Cash and Bank Balances  | 169   | 128   |
| Bank Overdraft  | (1,398)   | (2,286)   |
|   | <b>(1,229)</b>  | <b>(2,158)</b>  |

*The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 September 2016 and the accompanying explanatory notes attached to this interim financial statements.*

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 SEPTEMBER 2017**

**A1. Basis of Preparation**

The unaudited condensed consolidated interim financial statements were prepared in accordance with Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standard (MFRS) 134, Interim Financial Reporting and also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

This interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2016. These explanatory notes attached to the quarterly condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the last financial year ended 30 September 2016.

**A2. Significant Accounting Policies**

The accounting policies and methods of computations used in the preparation of the financial statements are consistent with those adopted in the audited financial statements for the year ended 30 September 2016 except for the adoption of the following which are applicable to its financial statements and are relevant to its operations: -

i) Adoption of standards and interpretations

| Description  | Effective for annual periods beginning on or after |
|--|--|
| Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses | 1 January 2017                                     |
| Amendments to MFRS 107: Disclosure Initiative                                    | 1 January 2017                                     |

The adoption of the above MFRSs and interpretations do not have significant financial impact to the financial statements of the Group.

ii) Standards and Interpretations issued but not yet effective

At the date of authorisation of these interim financial statements, the Group has not adopted the following accounting standards and interpretations that have been issued by the Malaysian Accounting Standards Board:

| Description   | Effective dates for financial periods beginning on or after |
|---|---|
| MFRS 15: Revenue from Contracts with Customers  | 1 January 2018  |
| MFRS 9: Financial Instruments   | 1 January 2018  |
| IC Interpretation 22 Foreign Currency Transactions and Advance Consideration  | 1 January 2018  |
| MFRS 16 Leases  | 1 January 2019  |
| Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be announced   |

The adoption of these standards above will have no material impact on the financial statements in the year of initial adoption.

**A3. Qualification of Audit Report of the Preceding Annual Financial Statements**

The audit report of the Group's annual financial statements for the financial year ended 30 September 2016 was not subject to any audit qualification.

**A4. Seasonal or Cyclical Factors**

There have been no material seasonal or cyclical factors affecting the results of the quarter under review.

**A5. Nature and amount of unusual items**

There were no unusual items in the quarterly financial statements under review.

**A6. Changes in Accounting Estimates**

There were no changes in estimates of amounts reported that have a material effect in the current financial quarter.

**A7. Debt and Equity Securities**

There were no issuance, cancellations, repurchases, resale nor repayments of debts and equity securities, share buy-backs for the current financial quarter.

**A8. Dividends Paid**

There were no dividends paid during the current quarter.

**A9. Segmental Reporting**

The Group has one operating segment, principally confined to construction of buildings, provision of electrical and mechanical engineering services and maintenance works.

The Group's operations are operated solely in Malaysia. Accordingly, geographical segmental information has not been prepared.

**Major customers**

For the current year-to-date, the following are major customers with revenue equal or more than 10% of the Group's revenue:

|              |                    |
|--------------|--------------------|
| - Customer A | RM34,340,136       |
| - Customer B | RM11,525,758       |
| - Customer C | <u>RM6,033,707</u> |

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

There were no changes in the valuation on property, plant and equipment since the last annual financial statements.

**A11. Significant Events**

(a) PJ Indah Engineering (S) Pte Ltd, a wholly owned subsidiary, was struck off from the Register of Accounting and Corporate Regulatory Authority, Singapore effective from 4 July 2017.

(b) On 14 August 2017, the Company's wholly owned subsidiary, YFG Engineering Sdn Bhd received a Letter of Award from Pierre Suite (M) Sdn Bhd for the contract works of RM235 million for the construction of Apartments in Kajang, Selangor ("Project"). The Project involves the building, and infrastructure and landscaping works of the proposed development of the Apartments.

(c) Proposed Regularisation Plan

On 23 August 2017, the Company had announced to Bursa Malaysia Securities Berhad the implementation of the Proposed Regularisation Plan to regularise its financial condition in accordance with paragraph 8.04(3) of the Main Market Listing Requirements. The plans are:-

(i) Proposed reduction of issued and paid-up share capital by cancelling RM54,816,839.70 from the issued share capital of the Company of RM60,907,599.70 pursuant to Section 116 of the Companies Act 2016 ("Proposed Share Capital Reduction");

(ii) Proposed consolidation of every 10 ordinary shares of the Company into 1 new ordinary share after the Proposed Share Capital Reduction ("Proposed Share Consolidation");

(iii) Proposed private placement of up to 54,816,800 new shares representing approximately 90% of the total number of issued shares of the Company ("Proposed Private Placement") after the Proposed Share Capital Reduction and Proposed Share Consolidation;

(iv) Proposed renounceable rights issue of up to 347,173,197 new shares of the Company on the basis of 3 Rights Shares for every 1 existing share held, together with up to 115,724,399 free detachable warrants on the basis of 1 Warrant for every 3 Rights Shares subscribed at an entitlement date to be determined following the Proposed Private Placement; and

(v) Proposed scheme of arrangement with the creditors of the Company and the creditors of two of the Company's subsidiaries; YFG Engineering Sdn Bhd and YFG Trolka Sdn Bhd pursuant to Section 176 of the Companies Act 1965 in respect of the amount owing to them.

(d) Scheme of Arrangement with the Creditors - Extension of Restraining Order

Pursuant to the Group's scheme of arrangement with the creditors under S176 of the Companies Act, 1965, the Shah Alam High Court had on 20 September 2017 granted the Company and its subsidiaries, YFG Engineering Sdn Bhd and YFG Trolka Sdn Bhd, the further extended deadline of Restraining Order for another 180 days from 20 September 2017 to 18 March 2018.

The extended deadline is to facilitate the Group to implement the proposed regularisation plan submitted to Bursa Malaysia Securities Berhad on 31 October 2017, as disclosed in note B7(b) below.

**A12. Material Events After the Interim Period**

There were no material events that occurred subsequent to the current quarter except as disclosed in note B7.

**A13. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter under review other than the strike off of the wholly owned subsidiary, PJ Indah Engineering (S) Pte Ltd from the Register of Accounting and Corporate Regulatory Authority, Singapore effective from 4 July 2017.

**A14. Changes in Contingent Liabilities and Contingent Assets**

There were no changes in other contingent liabilities or contingent assets since the last annual Statement of Financial Position as at 30 September 2016.

**A15. Capital Expenditure**

There was no outstanding capital commitment at the end of the current quarter under review.

**A16. Significant Related Party Transactions**

|                                      | <b>Financial Year</b>   |                         |
|--------------------------------------|-------------------------|-------------------------|
|                                      | <b>Ended 30/09/2017</b> | <b>Ended 30/09/2016</b> |
|                                      | RM'000                  | RM'000                  |
| With related companies:              |                         |                         |
| - Human resource consulting services | 65                      | -                       |
| - Warehouse rental                   | 48                      | 56                      |
|                                      | <u>48</u>               | <u>56</u>               |

The directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA****B1. Review of Performance**

For the current quarter, the Group recorded a higher revenue of RM20.08 million, a 37.61% increase compared to the corresponding quarter in the preceding year of RM14.60 million. The increase in revenue was primarily due to increased revenue in variation orders from the completed projects, of which the finalisation of project accounts is still in progress.

A loss after tax of RM5.56 million was recorded, compared to RM30.12 million recorded in the corresponding quarter of the preceding year, primarily due to project cost overrun recognised for the completed projects, negated by the significant lower impairment of receivables. An impairment of receivable amounted to RM19.11 million was recorded in the corresponding quarter of preceding year.

Revenue for the financial year was RM51.55 million, a reduction of 17.67% compared to previous corresponding year of RM62.61 million. The lower revenue was attributed to the reduced revenue recognised from the projects completed at the beginning of the quarter under review.

A loss after tax of RM26.55 million was recorded for the financial year, compared to RM30.00 million in the preceding year. The lower loss was attributed to the cost overrun recognised for the projects completed during the financial year, negated by the significant lower impairment of receivables.

**B2. Comparison with Preceding Quarter**

The Group recorded a revenue of RM20.08 million for the current quarter, an increase of 44.47% compared to RM13.90 million recorded in the immediate preceding quarter. The increase was due mainly to higher revenue in variation orders recognised for the completed Mass Rapid Transit (MRT) projects.

A loss after tax of RM5.56 million was recorded for the current reporting quarter compared to RM7.05 million posted in the immediate preceding quarter. The lower loss was mainly due to recognition of tail-end cost for the completed MRT projects.

**B3. Prospects**

The business in construction industry remains challenging. Following the submission of the proposed regularisation plan to Bursa Malaysia Securities Berhad on 31 October 2017, the Group is hopeful of improving its financial results with:-

- (a) Timely completion of the proposed regularisation plan.
- (b) Timely execution of the contract works of RM235 million and RM200 million medium cost apartment projects announced on 14 August 2017 and 17 October 2017 respectively.
- (c) Further enhancing the order book.

**B4. Profit Forecast / Profit Guarantee**

Not applicable as no profit forecast was announced during the current quarter.

**B5. Taxation**

|                              | Individual Quarter              |                                   | Cumulative Quarter              |                                   |
|------------------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
|                              | Current<br>30/09/2017<br>RM'000 | Preceding<br>30/09/2016<br>RM'000 | Current<br>30/09/2017<br>RM'000 | Preceding<br>30/09/2016<br>RM'000 |
| Real property gain tax       | 27                              | (898)                             | 27                              | (898)                             |
| Current income tax           | -                               | (154)                             | -                               | (184)                             |
| Deferred tax                 | -                               | (101)                             | -                               | (101)                             |
| Over provision in prior year |                                 |                                   |                                 |                                   |
| Income tax                   | 153                             | 19                                | 169                             | 19                                |
| Deferred tax                 | 101                             | -                                 | 101                             | -                                 |
|                              | <b>281</b>                      | <b>(1,134)</b>                    | <b>297</b>                      | <b>(1,164)</b>                    |

**B6. Bank Borrowings and Debt Securities**

Total bank borrowings as at 30 September 2017 are as follows:

|         | Short Term<br>RM'000 | Long Term<br>RM'000 | Total<br>RM'000 |
|---------|----------------------|---------------------|-----------------|
| Secured | 19,008               | 32                  | 19,040          |

**B7. Subsequent Events****(a) Award of Contract Works**

The Company's wholly owned subsidiary, YFG Engineering Sdn Bhd had on 17 October 2017 received a Letter of Award from Pierre Suite (M) Sdn Bhd for the contract works of RM200 million for the construction of 1,000 units of Apartments at Lots 1298 and 435, Larut Ulu, Taiping, Perak ("Project"). The Project involves the building, and infrastructure and landscaping works of the proposed development of the Apartments.

**(b) Proposed Regularisation Plan**

On 31 October 2017, TA Securities Holdings Berhad had, on behalf of the Company, submitted to Bursa Malaysia Securities Berhad the Proposed Regularisation Plan to obtain its approval to regularise the financial condition of the Company in accordance with paragraph 8.04(3) of the Main Market Listing Requirements.

**B8. Changes in Material Litigation**

The pending material litigations of the Group, since the last annual date of statement of financial position, consist of the following:-

**YFG Trolka Sdn Bhd ("YFGT") vs Palikota Sdn Bhd**

YFGT is presently proposing a scheme of arrangement with its creditors under Section 176 of the Companies Act, 1965 wherein the restraining order is obtained. The Court had rescheduled the e-review to 21 March 2018.

**B9. Dividends**

No dividend has been recommended for the current quarter under review.

**B10. Loss Per Share****i) Basic loss per share**

The calculation of basic loss per share for the financial year is based on the net loss attributable to equity holders of the parent company and divided by the number of ordinary shares outstanding during the financial year as follows:

|   | CURRENT YEAR<br>QUARTER<br>ENDED<br>30/09/2017 | PRECEDING YEAR<br>CORRESPONDING<br>QUARTER ENDED<br>30/09/2016 | CURRENT<br>YEAR TO DATE<br>30/09/2017 | PRECEDING YEAR<br>CORRESPONDING<br>YEAR ENDED<br>30/09/2016 |
|---|--|--|---------------------------------------|---|
| Loss attributable to owners of the parent company<br>(RM'000) | (5,555)  | (30,114)   | (26,551)                              | (30,002)  |
| Number of ordinary shares ('000)                              | 609,076  | 609,076  | 609,076                               | 609,076   |
| Basic loss per share (sen)                                    | <b>(0.91)</b>                                  | <b>(4.94)</b>  | <b>(4.36)</b>                         | <b>(4.93)</b>   |

**ii) Diluted earnings per share**

The fully diluted earnings per ordinary share is the same as the basic earnings per share as the effect of anti-dilutive potential ordinary shares is ignored in accordance with MFRS 133 on Earnings Per Share.



**B11. Corporate Guarantee**

The Corporate Guarantees issued in favour of financial institutions was RM35.13 million for the quarter under review.

**B12. Realised and Unrealised Losses Disclosure**

The breakdown of accumulated losses into realised and unrealised profits or losses is as follow:-

|            | <b>As At</b><br><b>30/09/2017</b><br><b>(Unaudited)</b><br><b>RM'000</b> | <b>As At</b><br><b>30/9/2017</b><br><b>(Audited)</b><br><b>RM'000</b> |
|------------|--|---|
| Realised   | (138,815)  | (112,163)   |
| Unrealised | -  | (101)   |
| Total      | <u>(138,815)</u>   | <u>(112,264)</u>  |