

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 MARCH 2014	31 MARCH 2013	31 MARCH 2014	31 MARCH 2013
	RM'000	RM'000	RM'000	RM'000
Operating revenue	19,971	17,251	19,971	17,251
Other operating income	1,088	8,622	1,088	8,622
Depreciation	(3,308)	(2,883)	(3,308)	(2,883)
Other operating expenses	(17,195)	(14,565)	(17,195)	(14,565)
Profit from operations	556	8,425	556	8,425
Finance costs	(1,100)	(1,084)	(1,100)	(1,084)
Share in results of an associate company	-	(451)	-	(451)
(Loss)/Profit before taxation	(544)	6,890	(544)	6,890
Taxation	(239)	(1,951)	(239)	(1,951)
(Loss)/Profit for the period	(783)	4,939	(783)	4,939
Basic (loss)/earnings per ordinary share (sen)	(0.35)	2.21	(0.35)	2.21

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT FINANCIAL YEAR TO DATE	PRECEDING FINANCIAL YEAR TO DATE
	31 MARCH 2014	31 MARCH 2013	31 MARCH 2014	31 MARCH 2013
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	(783)	4,939	(783)	4,939
Foreign currency translation differences for foreign operations	8,658	(159)	8,658	(159)
Fair value of available-for-sale financial assets	(4,129)	4,433	(4,129)	4,433
Share of other comprehensive income of an associate company	-	1,380	-	1,380
Total comprehensive income for the period	3,746	10,593	3,746	10,593

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014

	As at 31 MARCH 2014 RM'000	Audited as at 31 DECEMBER 2013 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	293,893	295,584
Other investments	91	91
Other receivables	4,790	4,997
Goodwill on consolidation	12,135	12,134
TOTAL NON-CURRENT ASSETS	310,909	312,806
CURRENT ASSETS		
Inventories	403	373
Trade receivables	2,024	2,615
Other receivables	8,420	2,653
Tax recoverable	248	151
Available-for-sale financial assets	45,850	49,979
Financial assets at fair value through profit or loss	65,529	48,510
Deposits, cash and bank balances	20,777	20,509
Non-current asset classified as held for sale	-	18,484
TOTAL CURRENT ASSETS	143,251	143,274
TOTAL ASSETS	454,160	456,080
CAPITAL AND RESERVES		
Share capital	223,068	223,068
Reserves	124,391	120,645
TOTAL EQUITY	347,459	343,713
NON-CURRENT LIABILITIES		
Bank borrowings	67,342	68,525
Deferred taxation	11,654	11,653
TOTAL NON-CURRENT LIABILITIES	78,996	80,178
CURRENT LIABILITIES		
Trade payables	3,653	4,891
Other payables	16,232	20,148
Bank borrowings	7,820	7,150
TOTAL CURRENT LIABILITIES	27,705	32,189
TOTAL EQUITY AND LIABILITIES	454,160	456,080

Net assets per share attributable to equity holders of the parent (RM)	1.56	1.54
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The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	<----- Non-distributable ----->			<--Distributable-->		Total
	Share capital	Share premium	Foreign currency translation reserve	Fair value reserve	Unappropriated profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>PERIOD ENDED 31 MARCH 2013</u>						
At 1 January 2013	223,068	79,437	(3,564)	35,866	10,502	345,309
Foreign currency translation differences for foreign operations	-	-	(159)	-	-	(159)
Fair value of available-for-sale financial assets	-	-	-	4,433	-	4,433
Share of other comprehensive income of an associate company	-	-	-	1,380	-	1,380
Profit for the period	-	-	-	-	4,939	4,939
Total comprehensive income for the period	-	-	(159)	5,813	4,939	10,593
At 31 March 2013	223,068	79,437	(3,723)	41,679	15,441	355,902
<u>PERIOD ENDED 31 MARCH 2014</u>						
At 1 January 2014	223,068	79,437	(9,948)	43,630	7,526	343,713
Foreign currency translation differences for foreign operations	-	-	8,658	-	-	8,658
Fair value of available-for-sale financial assets	-	-	-	(4,129)	-	(4,129)
Loss for the period	-	-	-	-	(783)	(783)
Total comprehensive income for the period	-	-	8,658	(4,129)	(783)	3,746
At 31 March 2014	223,068	79,437	(1,290)	39,501	6,743	347,459

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2014

	3 months ended 31 MARCH 2014	3 months ended 31 MARCH 2013
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(544)	6,890
Adjustments for:-		
Depreciation of property, plant and equipment	3,308	2,883
Interest expense	1,100	1,084
Property, plant and equipment written off	32	2
Fair value gain on financial assets at FVTPL ^	(419)	(197)
Interest income	(93)	(147)
Share in results of an associate	-	451
Loss on disposal of property, plant and equipment	-	83
Gain on disposal of non-current asset held for sale	-	(7,586)
Bad debts recovered	-	(13)
Operating profit before working capital changes	3,384	3,450
Changes in:-		
Inventories	(30)	(11)
Receivables	(4,956)	(2,718)
Payables	(5,249)	(5,991)
Cash used in operations	(6,851)	(5,270)
Income taxes paid	(241)	(2,016)
Income taxes recovered	-	1,830
Interest received	80	134
Net cash used in operating activities	(7,012)	(5,322)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of non-current asset held for sale	18,484	31,773
Proceeds from disposal of financial assets at FVTPL ^	400	650
Proceeds from disposal of property, plant and equipment	1	49
Purchase of financial assets at FVTPL ^	(17,000)	(29,000)
Purchase of property, plant and equipment	(1,461)	(272)
Net cash generated from investing activities	424	3,200
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	992	-
Repayment of bank borrowings	(2,000)	(1,971)
Interest paid	(1,100)	(1,084)
Net cash used in financing activities	(2,108)	(3,055)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(8,696)	(5,177)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,509	35,362
EFFECT OF EXCHANGE RATE CHANGES	8,469	(643)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	20,282	29,542
Cash and cash equivalents comprise:		
Cash in hand and at bank	7,052	6,096
Short term deposits with licensed banks	13,725	23,446
	20,777	29,542
Bank overdraft included in bank borrowings	(495)	-
	20,282	29,542

^ FVTPL - Fair Value Through Profit or Loss

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013.

THE NOMAD GROUP BHD (426627-H)

UNAUDITED QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

The Unaudited Quarterly Report has been prepared in accordance with the Malaysian Financial Reporting Standards 134 ('MFRS' 134) issued by the Malaysian Accounting Standards Board ('MASB') on 'Interim Financial Reporting' and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ('BMSB').

The accounting policies and methods of computations adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2013.

A2. Audit Report of Previous Annual Financial Report

The audit report of the previous annual financial report was not qualified.

A3. Seasonal or Cyclical Factors

The Group's operations were not affected by any seasonal or cyclical factors.

A4. Unusual Items Affecting Financial Statements

There were no unusual items affecting the financial statements for the quarter ended 31 March 2014.

A5. Changes in Accounting Estimates

There were no changes in the accounting estimates used in the preparation of the financial statements in the current financial period as compared to the previous financial year.

A6. Debts and Equity Securities

There was no transaction in Group debts and equity securities for the quarter ended 31 March 2014.

A7. Dividend Paid

No dividend was paid during the current and previous year corresponding quarter.

A8. Segmental Information

Analysis of the Group's revenue and results for the three months ended 31 March 2014 by operating segments are as follows:

Three months ended 31 March 2014					
	Investment Holding	Serviced Residences	Serviced Offices	Eliminations	Total Domestic Operations RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000
Domestic Operations :					
Revenue					
External	63	13,236	2,272	-	15,571
Intersegment sales	-	367	-	(367)	-
	63	13,603	2,272	(367)	15,571
Results					
(Loss)/Profit before taxation	(64)	1,306	(900)	-	342
Assets					
Segment assets	123,481	298,993	7,654	-	430,128
Liabilities					
Segment liabilities	1,188	94,137	3,973	-	99,298
					Total Overseas Operations RM'000
Overseas Operations ^ :					
Revenue					
External	-	-	4,400	-	4,400
Results					
Loss before taxation	-	-	(886)	-	(886)
Assets					
Segment assets	-	-	24,032	-	24,032
Liabilities					
Segment liabilities	-	-	7,403	-	7,403
					Group Total RM'000
Group :					
Revenue					
External	63	13,236	6,672	-	19,971
Intersegment sales	-	367	-	(367)	-
	63	13,603	6,672	(367)	19,971
Results					
(Loss)/Profit before taxation	(64)	1,306	(1,786)	-	(544)
Assets					
Total assets	123,481	298,993	31,686	-	454,160
Liabilities					
Total liabilities	1,188	94,137	11,376	-	106,701

^ Operations outside Malaysia relates to that in Singapore, Thailand, Vietnam, Philippines and Indonesia.

A8. Segmental Information (continued)

Segmental analysis for the preceding corresponding three months ended 31 March 2013 are as follows:

	Investment Holding	Serviced Residences	Serviced Offices	Eliminations	Total Domestic Operations
	RM'000	RM'000	RM'000	RM'000	RM'000
Domestic Operations :					
Revenue					
External	46	10,716	2,162	-	12,924
Intersegment sales	-	294	-	(294)	-
	46	11,010	2,162	(294)	12,924
Results					
Segment results	(501)	858	(808)	-	(451)
Share in results of an associate					(451)
Loss before taxation					(902)
Assets					
Segment assets	108,245	289,850	8,563	-	406,658
Investment in an associate					26,248
Total segment assets					432,906
Liabilities					
Segment liabilities	337	93,134	2,237	-	95,708
					Total Overseas Operations
					RM'000
Overseas Operations ^ :					
Revenue					
External	-	-	4,327	-	4,327
Results					
Profit before taxation	-	-	7,792	-	7,792
Assets					
Segment assets	-	-	26,004	-	26,004
Liabilities					
Segment liabilities	-	-	7,300	-	7,300
					Group Total
					RM'000
Group :					
Revenue					
External	46	10,716	6,489	-	17,251
Intersegment sales	-	294	-	(294)	-
	46	11,010	6,489	(294)	17,251
Results					
Segment results	(501)	858	6,984	-	7,341
Share in results of an associate					(451)
Profit before taxation					6,890
Assets					
Segment assets	108,245	289,850	34,567	-	432,662
Investment in an associate					26,248
Total assets					458,910
Liabilities					
Total liabilities	337	93,134	9,537	-	103,008

^ Operations outside Malaysia relates to that in Singapore, Thailand, Vietnam, Philippines and Indonesia.

A9. Revaluation of Property, Plant and Equipment

There was no revaluation on any of the Group's property, plant and equipment during the quarter under review.

A10. Subsequent Event

There were no material events subsequent to the end of the current quarter under review.

A11. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the current quarter under review.

A12. Changes in Contingent Liabilities or Contingent Assets**Guarantees**

In the ordinary course of business, contingent liabilities of the Group comprise:-

	As At 31 March 2014 RM'000
Bank guarantee facilities granted to suppliers for services provided	<u>655</u>
Corporate guarantee extended to subsidiary companies for term loans and bank overdraft granted by licensed banks	<u>75,162</u>

Other than the above, there were no material contingent liabilities or contingent assets not provided for in the financial statements as at 31 March 2014.

A13. Commitment

There were no material commitments not provided for in the financial statements as at 31 March 2014.

A14. Operating Lease Arrangements

The future aggregate minimum lease payables under non-cancellable operating leases contracted for but not recognised as payables are as follows:

	As At 31 March 2014 RM'000
Within one year	13,617
<u>In the second to fifth year inclusive</u>	<u>16,918</u>
<u>Total future minimum lease payables</u>	<u>30,535</u>

A15. Related Party Transactions

Related party transactions had been entered into in the ordinary course of business based on normal commercial terms and on arms' length basis.

PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of the Performance of the Group

a) Current Period vs. Previous Period

The Group's pre-tax profit for the three months ended 31 March 2014 was lower than the previous year corresponding period by RM7.4 million (2014 : pre-tax loss of RM0.5 million, 2013 : pre-tax profit of RM6.9 million).

Performance of the respective operating business segments is analysed as follows:-

- 1) Investment holding - The current period pre-tax loss was RM64,000 compared with the previous year corresponding period loss of RM0.9 million. This was mainly due to higher gain from money market placements and discontinuance of share in results of an associate company that was disposed off in February 2014.
- 2) Serviced residences - Revenue increased by RM2.5 million while pre-tax profit increased by RM0.4 million for the current period compared to the previous year corresponding period. This was mainly due to commencement of business of the new hotel Glow Penang in December 2013, higher occupancy rates and average room rates for hotels and serviced residences, offset by costs incurred in establishing the new hotel in Penang.
- 3) Serviced offices - A pre-tax loss of RM1.8 million was incurred for the current period compared to a pre-tax profit of RM7.0 million for the previous year corresponding period. The decrease was mainly due to higher operating costs. Also, the profit in previous year corresponding period was attributable to profit from the sale of land and building in Jakarta, Indonesia.

The Board of Directors is of the opinion that there have been no transactions or events that have arisen which would significantly affect the results of the operations of the Group for the period ended 31 March 2014 to the date of this announcement.

B2. Material Changes in Quarterly Results

	Current Quarter 31 March 2014 RM'000	Preceding Quarter 31 December 2013 RM'000
Revenue	19,971	19,213
Loss Before Tax	(544)	(1,444)

For the current quarter ended 31 March 2014, the Group recorded higher revenue by RM0.8 million and lower pre-tax loss by RM0.9 million compared to preceding quarter. The performance of the respective business segments is analysed as follows :-

- 1) Investment holding - Revenue remained comparable whilst pre-tax loss decreased by RM0.7 million compared to the preceding quarter. This was mainly due to impairment on investment in the associate company of RM1.1 million offset by share of profit in an associate company of RM0.2 million in the preceding quarter.
- 2) Serviced residences – Revenue and pre-tax profit increased by RM1.0 million and RM0.6 million respectively compared to the preceding quarter. This was mainly due to commencement of business of the new hotel Glow Penang in December 2013, higher occupancy rates and average room rates achieved, offset by operating costs incurred by the new hotel in Penang.
- 3) Serviced offices – Revenue decreased by RM0.3 million and pre-tax loss increased by RM0.4 million compared to the preceding quarter. This was mainly due to higher operating costs and lower unrealised foreign exchange gain from the foreign currency denominated advances.

B3. Current Year Prospects

In view of the continued uncertainty surrounding the global economy, the Board anticipates that the business environment in which the Group operates will be challenging for the financial year 2014.

B4. Profit Forecast

No profit forecast was announced hence there is no comparison between actual results and forecast.

B5. Profit / (Loss) Before Taxation

	Current Quarter 31 March		Year to date 31 March	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Included in the profit / (loss) before taxation are:-				
Interest income	93	147	93	147
Other income including investment income	1,058	8,448	1,058	8,448
Interest expense	(1,100)	(1,084)	(1,100)	(1,084)
Depreciation	(3,308)	(2,883)	(3,308)	(2,883)
Bad debts recovered	-	13	-	13
Foreign exchange (loss) / gain	(64)	271	(64)	271

B6. Taxation

Taxation comprised the following:-

	Current quarter 31 March 2014 RM'000	Year to date 31 March 2014 RM'000
Tax Expense	239	239

The Group incurred a tax expense for current quarter under review despite its pre-tax loss position due mainly to the absence of Group relief for tax losses of certain overseas subsidiaries and certain expenses not allowed for tax purposes.

B7. Status of Corporate Proposal

There were no corporate proposals announced but not completed as at the date of this announcement.

B8. Group Borrowings and Debt Securities

The Group's borrowings are secured, denominated in Ringgit Malaysia and classified as follows: -

	31 March 2014 RM'000
Current	7,820
Non-current	67,342
	75,162

B9. Material Litigations

There were no material litigations as at 31 March 2014 which would have a material impact on the Group.

B10. Dividend Proposed and Declared

Details of the final dividend approved by the shareholders at the Company's Annual General Meetings are as follows:-

	<u>31.03.2014</u>	<u>31.03.2013</u>
Final dividend for financial year	31 December 2013	31 December 2012
Dividend per share	2.0 sen single tier	2.0 sen less tax of 25%
Approved and declared on	08 May 2014	09 May 2013
Entitlement to dividends based on Record of Depositors as at	09 May 2014	10 May 2013
Date payable	19 May 2014	20 May 2013

The Board of Directors does not recommend any interim dividend during the quarter under review.

B11. Earnings Per Share ('EPS')

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Financial Year 31 March 2014 RM'000	Preceding Corresponding Financial Year 31 March 2013 RM'000	Current Financial Year To Date 31 March 2014 RM'000	Preceding Financial Year To Date 31 March 2013 RM'000
Basic Earnings per ordinary share				
Group (loss)/profit after tax used as numerator in the calculation of basic EPS	(783)	4,939	(783)	4,939
Weighted average no. of ordinary shares in issue used as denominator in the calculation of basic EPS ('000)	223,068	223,068	223,068	223,068
Basic (Loss)/Earnings Per Ordinary Share (sen)	(0.35)	2.21	(0.35)	2.21
Diluted (Loss)/Earnings Per Ordinary Share (sen)	(0.35)	2.21	(0.35)	2.21

B12. Realised and Unrealised Unappropriated Profits

The realised and unrealised unappropriated profits of the Group are as follows:

	31.03.2014	31.12.2013
	RM'000	RM'000
Total unappropriated profits of the Company and its subsidiaries:		
- Realised profits	18,461	13,743
- Unrealised losses	(11,718)	(6,217)
	<u>6,743</u>	<u>7,526</u>

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution dated 08 May 2014.

By order of the Board
THE NOMAD GROUP BHD
 JENNY WONG CHEW BOEY (MAICSA 7006120)
 Secretary
 Kuala Lumpur
 08 May 2014