

**SANBUMI HOLDINGS BERHAD**  
(8386-P)

**CONDENSED INTERIM FINANCIAL REPORT**

FOR THE

**1<sup>st</sup> FINANCIAL QUARTER  
&  
FINANCIAL PERIOD ENDED**

**30 JUNE 2018**

**STRICTLY PRIVATE & CONFIDENTIAL**  
*[FOR MANAGEMENT PURPOSES ONLY]*

**SANBUMI HOLDINGS BERHAD** (8386-P)

Condensed Interim Financial Report for the 1st financial quarter ended 30 June 2018

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Quarter Ended 30/06/18 (Unaudited) RM'000	Comparative Quarter Ended 30/06/17 (Unaudited) RM'000	Current Period Ended 30/06/18 (Unaudited) RM'000	Comparative Period Ended 30/06/17 (Unaudited) RM'000
Revenue	8,043	14,643	8,043	14,643
Cost of Sales	(7,432)	(11,756)	(7,432)	(11,756)
<b>Gross Profit</b>	<b>611</b>	<b>2,887</b>	<b>611</b>	<b>2,887</b>
Other Income	90	189	90	189
Operating Expenses	(1,596)	(3,221)	(1,596)	(3,221)
Finance Costs	(82)	(84)	(82)	(84)
<b>Loss Before Tax</b>	<b>(977)</b>	<b>(229)</b>	<b>(977)</b>	<b>(229)</b>
Tax Expense	0	(180)	0	(180)
<b>Loss After Tax</b>	<b>(977)</b>	<b>(409)</b>	<b>(977)</b>	<b>(409)</b>
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Expenses</b>	<b>(977)</b>	<b>(409)</b>	<b>(977)</b>	<b>(409)</b>
Loss After Tax attributable to:				
Owners of the Company	(977)	(412)	(977)	(412)
Non-controlling Interest	-	3	-	3
	<b>(977)</b>	<b>(409)</b>	<b>(977)</b>	<b>(409)</b>
Total Comprehensive Expenses attributable to:				
Owners of the Company	(977)	(412)	(977)	(412)
Non-controlling Interest	-	3	-	3
	<b>(977)</b>	<b>(409)</b>	<b>(977)</b>	<b>(409)</b>
Loss Per Share attributable to owners of the Company (sen):				
i) Basic	<b>(0.43)</b>	<b>(0.18)</b>	<b>(0.43)</b>	<b>(0.18)</b>
ii) Diluted	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for financial year ended 31 March 2018.

**SANBUMI HOLDINGS BERHAD** (8386-P)**Condensed Interim Financial Report for the 1st financial quarter ended 30 June 2018****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT 30/06/18 (Unaudited) RM'000	AS AT 31/03/18 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	50,731	51,095
Investment Properties	6,690	6,690
Prepaid lease Payments	447	507
	<u>57,868</u>	<u>58,292</u>
<b>Current Assets</b>		
Inventories	521	2,150
Development Cost	26,256	26,017
Trade & Other Receivables	7,178	6,118
Deposits, cash and bank balances	6,586	8,401
	<u>40,541</u>	<u>42,686</u>
<b>TOTAL ASSETS</b>	<u>98,409</u>	<u>100,978</u>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	22,637	22,637
Retained Profits	15,510	16,487
Revaluation and Other Reserves	44,439	44,439
<b>Equity Attributable to Equity Holders of the Company</b>	<u>82,586</u>	<u>83,563</u>
<b>Non-controlling Interests</b>	(113)	(113)
<b>Total Equity</b>	<u>82,473</u>	<u>83,450</u>
<b>Non-current Liabilities</b>		
Borrowings	3,546	3,576
Deferred taxation	4,501	4,501
	<u>8,047</u>	<u>8,077</u>
<b>Current Liabilities</b>		
Trade & Other Payables	7,264	8,823
Provision for tax	386	389
Borrowings	239	239
	<u>7,889</u>	<u>9,451</u>
<b>Total Liabilities</b>	<u>15,936</u>	<u>17,528</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>98,409</u>	<u>100,978</u>
<b>Net Asset Per Share (RM)</b>	<u>0.36</u>	<u>0.37</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2018.

**SANBUMI HOLDINGS BERHAD** (8386-P)

**Condensed Interim Financial Report for the 1st financial quarter ended 30 June 2018**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share capital		Non-distributable		Distributable		Total	Non-controlling Interests	Total Equity
	Ordinary shares	Capital Redemption Reserve	Revaluation and other reserves	Retained profits	RM'000	RM'000			
<b>Cumulative Current Period (Unaudited)</b>									
At 1.4.2018	22,637	15,105	29,334	16,487	83,563	(113)	83,450		
Recognised income and expense for the period:									
Loss after taxation	-	-	-	(977)	(977)	0	(977)		
<b>At 30.06.2018</b>	<b>22,637</b>	<b>15,105</b>	<b>29,334</b>	<b>15,510</b>	<b>82,586</b>	<b>(113)</b>	<b>82,473</b>		
	Share capital	Non-distributable	Distributable	Total	Non-controlling Interests	Total Equity			
	Ordinary shares	Capital Redemption Reserve	Revaluation and other reserves	Retained profits	RM'000	RM'000	RM'000	RM'000	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Cumulative Preceding Period (Unaudited)</b>									
At 1.4.2017	22,637	15,105	25,420	21,417	84,579	89	84,668		
Recognised income and expense for the period:									
Loss after taxation	-	-	-	(412)	(412)	3	(409)		
<b>At 30.06.2017</b>	<b>22,637</b>	<b>15,105</b>	<b>25,420</b>	<b>21,005</b>	<b>84,167</b>	<b>92</b>	<b>84,259</b>		

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2018.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Cumulative Period	
	Period Ended 30/06/18	Period Ended 30/06/17
	Unaudited RM'000	Audited RM'000
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES:</b>		
Loss before taxation	(977)	(229)
Adjustments for:		
Non-cash items	418	513
Non-operating items	13	27
Operating profit/(loss) before changes in working capital	(546)	311
(Increase)/Decrease in current assets	569	(390)
Increase/(Decrease) in current liabilities	(1,559)	1,605
<b>Cash flows (for)/from operations</b>	<b>(1,536)</b>	<b>1,526</b>
Net Income tax refunded/(paid)	3	-
Interest received	69	57
<b>Net cash flows (for)/from operating activities</b>	<b>(1,464)</b>	<b>1,583</b>
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES:</b>		
Property, plant and equipment	-	-
Development cost	(239)	-
Investments in subsidiaries	-	-
<b>Net cash flows for investing activities</b>	<b>(239)</b>	<b>-</b>
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES:</b>		
Interest paid	(82)	(84)
Net borrowings	(30)	(56)
<b>Net cash flows for financing activities</b>	<b>(112)</b>	<b>(140)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalent</b>	<b>(1,815)</b>	<b>1,443</b>
Cash & cash equivalent at beginning of the financial period	8,401	9,576
<b>Cash &amp; cash equivalent at end of the financial period</b>	<b>6,586</b>	<b>11,019</b>
Cash & cash equivalent consists of:	RM'000	RM'000
Deposits, cash and bank balances	6,586	11,019
Bank overdrafts	-	-
	<b>6,586</b>	<b>11,019</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 March 2018.

**CONDENSED INTERIM FINANCIAL REPORT FOR THE 1st FINANCIAL QUARTER ENDED 30 JUNE 2018**

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT**

**1. Basis of Preparation**

The condensed interim financial report is unaudited and has been prepared in accordance with the Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of Chapter 9 Part K of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The condensed interim financial report is to be read in conjunction with the audited financial report of the Group for the financial year ended 31 March 2018.

The accounting policies, methods of computation and the basis of consolidation used in the preparation of this interim financial report are consistent with those applied in the most recent audited annual financial statements for the year ended 31 March 2018. During the financial period, the following new accounting standards and/or interpretations issued by the MASB were adopted:

MFRS 107	Disclosure Initiative
MFRS 112	Recognition of Deferred Tax Asset for Unrealised Losses
Amendments to MFRS 12	Clarification of the Scope of Standard
MFRS 9	Financial Instruments

The adoption of the above MFRSs did not have any material impact on the interim financial report of the Group.

**2. Auditors’ Report on Preceding Annual Financial Statements**

The most recent annual audited financial statements for the financial year ended 31 March 2018 was not subject to any audit qualification.

**3. Seasonal and Cyclical Factors**

All active business segments of the Group are generally exposed to effects of the economic and seasonal cycles.

**4. Items or Incidence of an Unusual Nature**

The Directors are not aware of any items or incidence of an unusual nature not otherwise dealt with in this report which may or has substantially affected the value of assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review and the financial period to date.

**5. Effects of Changes in Estimates**

There were no material changes in estimates of amounts reported in the current financial quarter or changes in estimates of amounts reported in prior financial years that may have a material effect in the current financial quarter under review and the financial period to date.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**

**6. Changes in Debt and Equity Securities**

There were no issuance, repurchase or repayments of debt and equity securities for the current financial quarter under review and the financial period to date.

**7. Dividends**

There were no dividends declared or paid for the current financial quarter under review and the financial period to date.

**8. Segmental Reporting**

The Group is generally organised into two distinct business segments:

- Tourism services - Hospitality services, inbound and outbound tours and ticketing services and related retail businesses
- Others - Comprises of investment holding, trading, processing and trading of timber products and other services, neither of which is of a sufficient size to be reported separately.

◆ Primary reporting format –business segments

*Financial period ended 30.6.18*

	Tourism Services RM'000	Others RM'000	Group RM'000
<b>Revenue</b>			
Total revenue	7,906	137	8,043
Intersegment revenues	-	-	-
Total external revenue	<u>7,906</u>	<u>137</u>	<u>8,043</u>
<b>Results</b>			
Segment results	(341)	(554)	(895)
Finance costs	(82)	-	(82)
Share of profit from associate	-	-	-
Profit/(Loss) before tax	<u>(423)</u>	<u>(554)</u>	<u>(977)</u>
Income Tax	-	-	-
Profit/(Loss) after tax	<u>(423)</u>	<u>(554)</u>	<u>(977)</u>
Non-controlling interest	-	-	-
Loss attributable to Owners of the Company	<u>(423)</u>	<u>(554)</u>	<u>(977)</u>
<b>Other information</b>			
Segment assets	39,395	59,014	98,409
Segment liabilities	13,693	2,243	15,936
Capital expenditure	-	-	-
Depreciation and amortization	<u>397</u>	<u>27</u>	<u>424</u>

No geographical analysis has been prepared as the Group operates wholly in Malaysia.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**

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

There were no changes in the composition of the Group during the current financial quarter under review and the financial period to date.

**10. Material Events after the Reporting Period**

There were no material subsequent events as at 20 August 2018 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that may affect the financial results of the Group for the current financial quarter under review and the financial period to date.

**11. Contingent Assets or Liabilities**

There were no contingent assets or liabilities as at 20 August 2018 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that will or may affect the financial results of the Group for the current financial quarter under review and the financial period to date.

**12. Additional Information Pursuant to Appendix 9B of the MMLR of Bursa Securities**

**12.1 Group Performance Review**

	INDIVIDUAL QUARTER ENDED			CUMULATIVE YEAR ENDED		
	Current	Comparative	Changes	Current	Comparative	Changes
	30/6/18	30/6/17	Inc/(Dec)	30/6/18	30/6/17	Inc/(Dec)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	8,043	14,643	(45.07)	8,043	14,643	(45.07)
Operating Profit	611	2,887	(78.84)	611	2,887	(78.84)
Loss Before Interest and Tax	(895)	(145)	517.24	(895)	(145)	517.24
Loss Before Tax	(977)	(229)	326.64	(977)	(229)	326.64
Loss After Tax	(977)	(409)	138.88	(977)	(409)	138.88
Loss Attributable to Owners of the Company	(977)	(412)	137.14	(977)	(412)	137.14

- The Group's revenue for the current financial quarter and the cumulative financial period declined by 45.07% respectively as compared to the preceding year corresponding period. The significant decline in revenue is mainly attributed by the significant drop in volume of tourist arrivals registered by the Group during the current financial quarter as a result of to the ongoing internal business reorganization exercise within the tourism segment. (Current quarter: 33,315 pax; Comparative quarter: 76,138 pax)



**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)****12.1 Group Performance Review (Cont'd)**

- The Group's operating profit for the current financial quarter and the cumulative financial period declined by 78.84% respectively as compared to the preceding year corresponding period. The significant drop in revenue coupled with the impact of high fixed direct operating costs mainly attributed to the significant decline in the operating profit of the Group for the current reporting period.
- The Group's loss before interest and tax for the current financial quarter and the cumulative financial period was significantly higher as compared to the preceding year corresponding period mainly due to the impact of the significant drop in the revenue registered during the current period.

**12.2 Comparison with Immediate Preceding Quarter Results**

	Current Quarter Ended 30/6/18	Preceding Quarter Ended 31/3/18	Changes Inc/(Dec)
	RM'000	RM'000	%
Revenue	8,043	10,152	(20.77)
Operating Profit	611	1,103	(44.61)
Loss Before Interest and Tax	(895)	(3,117)	(71.29)
Loss Before Tax	(977)	(3,200)	(69.46)
Loss After Tax	(977)	(3,469)	(71.84)
Loss Attributable to Owners of the Company	(977)	(3,469)	(71.84)

- The Group's revenue for the current financial quarter declined by 20.77% as compared to the immediate preceding quarter. The decline in revenue is mainly attributable to the drop in volume of tourist arrivals registered by the Group (Current quarter: 33,315 pax; Preceding Quarter: 47,907 pax).
- The Group's operating profit for the current financial quarter declined by 44.61% as compared to the immediate preceding quarter. The effects of the drop in revenue coupled with the impact of high fixed operating cost resulted in a lower operating profit recorded.
- The Group recorded a lower loss before and after tax for the current financial quarter as compared to the immediate preceding quarter. The significantly higher indirect operating expenses incurred in the preceding quarter as a result of the recognition of impairments on assets and receivables mainly contributed to the higher losses for that period.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)****12.3 Prospects for the Current Financial Year**

With the smooth changes in the domestic political landscape and the introduction of new initiatives to stabilize the domestic economy, the Group hopes that these will be able to provide the drive for the domestic business environment to improve.

As for the Group, the extremely challenging business environment remains a key factor to the continued poor financial performances of the core tourism business segment. Nonetheless, the Group continues its critical review and rationalisation exercise on the current business model of its tourism segment and hopes that upon completion of this exercise, the tourism segment will be placed on a better footing and be able to contribute positively to the financial performance of the Group.

The Group will continue to monitor indicators and general sentiments in the property market and hopes the Group's maiden venture into the property development will be able to move forward positively sooner than it may be anticipated.

**12.4 Profit Forecast**

The Company did not issue any profit forecast or guarantee during the current financial quarter under review and the financial period to date.

**12.5 Corporate Proposals**

There were no corporate proposals announced but not completed as at 20 August 2018 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that may affect the financial results for the current financial quarter under review and the financial period to date.

**12.6 Utilisation of Proceeds Raised from Corporate Proposal**

On 13 July 2016, the Company completed the Private Placement of 52,240,000 new ordinary shares of RM0.10 each at a placement price of RM0.115 each. The total capital raised from the placement of shares amounted to RM6,007,600 and the proceeds are to be allocated and utilised in accordance with the approved utilisation plan. As at 30 June 2018 the proceeds were fully utilised as allocated as follows:

Purpose	Utilisation		Intended Timeframe for Utilisation	Deviation	
	Proposed RM'000	Actual RM'000		RM'000	%
Expenses in relation to Corporate Proposals	300	298	Within 1 month	2	0.7
Funding for Proposed Development	5,000	5,000	Within 24 months	0	0
Working capital requirements of the group	708	710	Within 12 months	(2)	(0.3)
	<u>6,008</u>	<u>6,008</u>			

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)****12.7 Taxation**

	Quarter ended 30/6/18 RM'000	Quarter ended 30/6/17 RM'000	Period ended 30/6/18 RM'000	Period ended 30/6/17 RM'000
In respect of current year:				
Income tax	-	180	-	180
Deferred tax	-	-	-	-
	-	180	-	180
Under/(Over) provision in respect of previous year:				
Income tax	-	-	-	-
Deferred tax	-	-	-	-
	-	-	-	-
	-	180	-	180

The tax charge for the previous financial period was principally due to insufficient losses available to set-off the potential tax liabilities of certain subsidiaries.

**12.8 Material Litigations**

There are no pending material litigations involving the Group as at 20 August 2018 (being the latest practicable date which is no earlier than 7 days from the date of issue of this quarterly report) that may affect the financial results for the current financial quarter under review and the financial period to date.

**12.9 Group Borrowings**

The details of the secured borrowings of the Group are as follows:-

	As at 30/6/18 RM'000	As at 30/6/17 RM'000
Non-current:		
Term Loan	3,546	3,762
	3,546	3,762
Current:		
Term Loan	239	227
	239	227

There were no unsecured borrowings outstanding as at the end of the current financial quarter under review and the financial year to date.

**12.10 Proposed Dividends**

No dividend has been declared or proposed since the end of the previous financial year.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL REPORT (Cont'd)**

**12.11 Loss Per Share**

The basic loss per share of the Group is calculated by dividing the loss for the period attributable to owners of the Company with the number of shares in issue during the reporting period.

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	<u>Quarter Ended 30/6/18</u>	<u>Quarter Ended 30/6/17</u>	<u>Period Ended 30/6/18</u>	<u>Period Ended 30/6/17</u>
Loss after taxation attributable to owners of the Company (RM'000)	(977)	(412)	(977)	(412)
Number of Shares in issue ('000)	226,373	226,373	226,373	226,373
Basic Loss per share (sen)	(0.43)	(0.18)	(0.43)	(0.18)

**12.12 Loss Before Tax**

Loss before tax is arrived at after (crediting)/charging:

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE PERIOD</u>	
	<u>Current Quarter Ended 30/6/18</u>	<u>Comparative Quarter Ended 30/6/17</u>	<u>Current Year Ended 30/6/18</u>	<u>Comparative Year Ended 30/6/17</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Interest income	(69)	(57)	(69)	(57)
Other income including investment income	-	-	-	-
Net (gain)/loss on foreign exchange	-	(112)	-	(112)
Interest expense	82	84	82	84
Depreciation	364	632	364	632
Amortisation of prepaid lease payments	60	60	60	60
Impairment losses on receivables	-	(28)	-	(28)
Impairment or write off of inventories	-	-	-	-
(Gain)/loss on disposal of quoted or unquoted investments or properties	-	-	-	-
Impairment losses on investment properties	-	-	-	-
Impairment losses on property, plant and equipment	-	-	-	-
(Gain)/loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

By Order of the Board  
**SANBUMI HOLDINGS BERHAD**  
 Lim Choo Tan  
 Chew Siew Cheng  
 Company Secretaries

Date: 27 August 2018