

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FOURTH QUARTER ENDED 31 MARCH 2020 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2020 RM'000	Comparative quarter ended 31.03.2019 RM'000	Current year ended 31.03.2020 RM'000	Comparative year ended 31.03.2019 RM'000 (Audited)
Revenue	96,236	249,985	486,802	886,320
Cost of sales	(42,300)	(112,817)	(284,519)	(493,709)
Gross profit	53,936	137,168	202,283	392,611
Other income	899	7,477	32,213	47,134
Administrative expenses	(17,171)	(20,197)	(74,017)	(65,571)
Selling and marketing expenses	(961)	(1,018)	(5,895)	(7,737)
Other expenses	(214,787)	(40,102)	(243,939)	(127,642)
Operating (loss)/profit	(178,084)	83,328	(89,355)	238,795
Finance costs	(14,051)	(23,713)	(61,990)	(76,793)
Share of results of joint ventures	2,723	5,797	(4,265)	(104)
(Loss)/profit before tax	(189,412)	65,412	(155,610)	161,898
Income tax expense	(10,283)	(25,438)	(36,728)	(85,534)
<b>(Loss)/profit for the year</b>	<b>(199,695)</b>	<b>39,974</b>	<b>(192,338)</b>	<b>76,364</b>
<b>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods (net of tax):</b>				
Foreign currency translation	(288)	246	(765)	(305)
Recycled foreign currency translation to profit or loss	-	-	-	25
<b>Other comprehensive (loss)/income for the year</b>	<b>(288)</b>	<b>246</b>	<b>(765)</b>	<b>(280)</b>
<b>Total comprehensive (loss)/ income for the year</b>	<b>(199,983)</b>	<b>40,220</b>	<b>(193,103)</b>	<b>76,084</b>
<b>(Loss)/profit attributable to:</b>				
Owners of the parent	(204,031)	38,215	(195,942)	61,918
Non-controlling interests	4,336	1,759	3,604	14,446
<b>Total comprehensive (loss)/ income attributable to:</b>				
Owners of the parent	(204,319)	38,461	(196,707)	61,638
Non-controlling interests	4,336	1,759	3,604	14,446
	<b>(199,983)</b>	<b>40,220</b>	<b>(193,103)</b>	<b>76,084</b>
(Loss)/Earnings per share attributable to owners of the parent:				
Basic (sen)	(14.25)	2.84	(13.68)	4.70
Diluted (sen)	(14.25)	2.84	(13.68)	4.70

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020 (Unaudited)**

	<b>AS AT 31.03.2020 RM'000</b>	<b>AS AT 31.03.2019 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	254,941	228,151
Inventories	1,459,176	1,427,630
Investment properties	375,086	487,993
Intangible assets	18	93
Rights of use assets	39,599	-
Investment in joint ventures	143,499	130,270
Other investments	3,489	3,313
Deferred tax assets	17,736	12,909
Trade and other receivables	9,476	16,995
	<u>2,303,020</u>	<u>2,307,354</u>
<b>Current assets</b>		
Inventories	552,346	750,249
Trade and other receivables	115,485	253,284
Prepayments	12,886	3,755
Tax recoverable	6,951	1,098
Contract assets	30	-
Contract cost assets	24,946	16,441
Cash and bank balances	296,430	854,833
	<u>1,009,074</u>	<u>1,879,660</u>
Non current asset classified as held for sale	73,880	8,000
	<u>1,082,954</u>	<u>1,887,660</u>
<b>TOTAL ASSETS</b>	<u><b>3,385,974</b></u>	<u><b>4,195,014</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Loans and borrowings	318,032	505,333
Provisions	5,039	39
Trade and other payables	151,998	332,862
Lease liabilities	5,546	-
Contract liabilities	246,713	309,345
Provision for retirement benefits	32	2
Income tax payable	3,159	33,192
	<u>730,519</u>	<u>1,180,773</u>
<b>Net current assets</b>	<u><b>352,435</b></u>	<u><b>706,887</b></u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020 (Unaudited)**

	<b>AS AT 31.03.2020 RM'000</b>	<b>AS AT 31.03.2019 RM'000 (Audited)</b>
<b>EQUITY AND LIABILITIES (CONT'D)</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	726,229	908,040
Provisions	374	152
Trade and other payables	18,022	13,254
Lease liabilities	56,858	-
Provision for retirement benefits	403	282
Deferred tax liabilities	40,986	43,422
	<u>842,872</u>	<u>965,150</u>
<b>TOTAL LIABILITIES</b>	<u>1,573,391</u>	<u>2,145,923</u>
<b>Net assets</b>	<u>1,812,583</u>	<u>2,049,091</u>
<b>Equity attributable to owners of the parent</b>		
Share capital	1,521,802	1,521,789
Treasury shares	(28,160)	(27,719)
Reserves	273,820	513,504
	<u>1,767,462</u>	<u>2,007,574</u>
<b>Non-controlling interests</b>	45,121	41,517
<b>Total Equity</b>	<u>1,812,583</u>	<u>2,049,091</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,385,974</u>	<u>4,195,014</u>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<u>1.23</u>	<u>1.40</u>

Based on number of shares net of treasury shares

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (Unaudited)**

	Attributable to owners of the parent							Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	<----- Non-Distributable -----> Foreign Currency			Distributable		Total		
	Treasury Shares RM'000	Translation Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000		RM'000			
<b>Financial year ended 31 March 2020</b>									
<b>At 1 April 2019</b>	1,521,789	(27,719)	(3,661)	1,026	516,139	2,007,574	41,517	2,049,091	
Loss for the financial year	-	-	-	-	(195,942)	(195,942)	3,604	(192,338)	
Other comprehensive loss	-	-	(765)	-	-	(765)	-	(765)	
Total comprehensive loss for the financial year	-	-	(765)	-	(195,942)	(196,707)	3,604	(193,103)	
<b>Transactions with owners</b>									
Issue of ordinary shares:									
- New issuance	13	-	-	-	-	13	-	13	
Purchase of treasury shares	-	(441)	-	-	-	(441)	-	(441)	
Dividend on ordinary shares	-	-	-	-	(42,977)	(42,977)	-	(42,977)	
Total transactions with owners	13	(441)	-	-	(42,977)	(43,405)	-	(43,405)	
<b>At 31 March 2020</b>	1,521,802	(28,160)	(4,426)	1,026	277,220	1,767,462	45,121	1,812,583	

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019 (Audited)**

	Attributable to owners of the parent							Non-controlling Interests RM'000	Total Equity RM'000
	<----- Non-Distributable ----->			Distributable					
	Share Capital RM'000	Treasury Shares RM'000	Foreign Currency Translation Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000	Total RM'000			
<b>Financial year ended 31 March 2019</b>									
<b>At 1 April 2018 (as previously stated)</b>	1,394,163	(37,962)	(3,381)	958	493,222	1,847,000	27,107	1,874,107	
Effect of transition to MFRS					(2,838)	(2,838)	(36)	(2,874)	
<b>At 1 April 2018 (restated)</b>	1,394,163	(37,962)	(3,381)	958	490,384	1,844,162	27,071	1,871,233	
Profit for the financial year	-	-	-	-	61,918	61,918	14,446	76,364	
Other comprehensive loss	-	-	(280)	-	-	(280)	-	(280)	
Total comprehensive income for the financial year	-	-	(280)	-	61,918	61,638	14,446	76,084	
<b>Transactions with owners</b>									
Issue of ordinary shares:									
- pursuant to private placement	127,626	-	-	-	-	127,626	-	127,626	
Purchase of treasury shares	-	(25,852)	-	-	-	(25,852)	-	(25,852)	
Redemption of preference shares	-	-	-	68	(68)	-	-	-	
Share dividend distributed to shareholders	-	36,095	-	-	(36,095)	-	-	-	
Total transactions with owners	127,626	10,243	-	68	(36,163)	101,774	-	101,774	
<b>At 31 March 2019</b>	1,521,789	(27,719)	(3,661)	1,026	516,139	2,007,574	41,517	2,049,091	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (Unaudited)**

	Year ended ended 31.03.2020 RM'000	Year ended ended 31.03.2019 RM'000 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(155,610)	161,898
Adjustments for:-		
Allowances for expected credit losses on:		
- trade receivables	813	627
- other receivables	2	1
Amortisation of :		
- intangible assets	75	88
- rights of use asset	9,130	-
Depreciation of property, plant and equipment	14,095	15,061
Bad debts written off	40	155
Derecognition of right of use asset	(46)	-
Interest expense	56,737	69,528
Interest expense on lease liabilities	4,750	-
Property, plant and equipment written off	260	203
Land held for property development written down	-	5,307
Property development costs written down	69,862	14,424
Loss on liquidation of subsidiaries	-	77
Reversal of expected credit losses on:		
- trade receivables	-	(312)
- other receivables	(36)	-
Impairment loss on property, plant and equipment	-	6,966
Impairment loss on rights of use asset	19,458	-
Net loss on disposal of property, plant and equipment	15	2
Unrealised (gain)/loss on foreign exchange	(1,323)	5,604
Net loss from fair value adjustment of investment properties	120,256	3,922
Unwinding of discounts - net	(1,846)	7,085
Net fair value (gain)/loss on other investments at fair value through profit or loss	(176)	58
Interest income	(23,998)	(24,695)
Dividend income	(11)	(11)
Share of results of joint ventures	4,265	104
Provision for retirement benefits	164	45
Operating profit before changes in working capital	116,876	266,137
Changes in working capital:-		
Inventories	44,508	36,276
Receivables	101,117	100,253
Payables	(230,878)	139,349
Contract cost assets	(8,505)	62,732
Cash flows from operations	23,118	604,747
Interest received	24,272	25,275
Interest paid	(56,256)	(68,314)
Income taxes refunded	946	390
Income taxes paid	(81,057)	(90,613)
Retirement benefits paid	(13)	(9)
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES	(88,990)	471,476



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (Unaudited)**

	Year ended ended 31.03.2020 RM'000	Year ended ended 31.03.2019 RM'000 (Audited)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(40,182)	(6,599)
Purchase of investment properties: - subsequent expenditure	(7,258)	(2,030)
Proceeds from disposal of property, plant and equipment	92	186
Proceeds from disposal of other investments	-	10,000
Profit distribution from a joint venture	19,934	-
Investment in a joint ventures	(128)	-
Other dividends received	11	11
<b>NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(27,531)</b>	<b>1,568</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of ordinary shares	13	127,626
Purchase of treasury shares	(441)	(25,852)
Drawdown of borrowings	517,268	377,871
Repayment of borrowings	(922,369)	(613,055)
Repayment of obligations under finance lease	(599)	(512)
Repayment of lease liabilities	(10,487)	-
Placement of deposits with licensed banks	(1,509)	(449)
Dividend paid	(42,977)	-
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(461,101)</b>	<b>(134,371)</b>
Effects of exchange rate changes	(765)	(305)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(578,387)</b>	<b>338,368</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR</b>	<b>815,073</b>	<b>476,705</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL YEAR</b>	<b>236,686</b>	<b>815,073</b>

For the purpose of statement of cash flows, cash and cash equivalents comprise the following:-

Cash and bank balances	296,430	854,833
Bank overdrafts	(40,135)	(21,660)
Less: Restricted cash and bank balances	(19,609)	(18,100)
	<b>236,686</b>	<b>815,073</b>

**The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2019 and the accompanying explanatory notes attached to the interim financial statements.**



**A. Explanatory Notes Pursuant to MFRS 134**

**1. Basis of preparation**

The interim financial statements have been prepared on the historical cost convention except for investment properties and quoted shares in other investments which have been stated at fair value.

This interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2019 and the explanatory notes. These explanatory notes provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2019.

**2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2019, except for the adoption of the following new MFRSs and Amendments to MFRSs which are applicable for the Group's financial period beginning 1 April 2019, as disclosed below:

**Adoption of MFRSs and Amendments to MFRSs**

		<b>Effective for annual periods beginning on or after</b>
MFRS 9	: Prepayment Features with Negative Compensation (Amendments to MFRS 9)	1 January 2019
MFRS 16	: Leases	1 January 2019
MFRS 128	: Long-term Interest in Associates and Joint Ventures (Amendments to MFRS 128)	1 January 2019
Annual Improvements to MFRSs 2015 - 2017 Cycle	: Amendments to MFRS 3 Business Combinations	1 January 2019
	: Amendments to MFRS 11 Joint Arrangements	1 January 2019
	: Amendments to MFRS 112 Income Taxes	1 January 2019
	: Amendments to MFRS 123 Borrowing Costs	1 January 2019
MFRS 119	: Plan Amendment, Curtailment or Settlement (Amendments to MFRS 119)	1 January 2019
IC Interpretation 23	: Uncertainty over Income Tax Treatments	1 January 2019



**A. Explanatory Notes Pursuant to MFRS 134 (cont'd)**

**2. Changes in Accounting Policies (cont'd)**

**Adoption of MFRSs and Amendments to MFRSs (cont'd)**

Adoption of the above standard and interpretation do not have any significant effect on the financial performance and position of the Group, except as discussed below:

MFRS 16 : Leases

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under MFRS 117.

At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Lessees will be required to recognise interest expense on the lease liability and depreciation expense on the right-of-use asset.

MFRS 16 was adopted by the Group from 1 April 2019 using the modified retrospective transition approach which measures the lease liabilities based on the present value of future lease payments calculated using the incremental borrowing rate and exchange rate at date of transition. Lease payments would be split into principal and interest payments, using the effective interest method.

Lessor accounting is substantially the same as the accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases.

The following assets and liabilities were recognised on the consolidated statement of financial position at 1 April 2019 on adoption of MFRS 16:

	<b>Audited 31.3.2019 RM'000</b>	<b>Effect of adoption of MFRS 16 RM'000</b>	<b>After adoption of MFRS 16 RM'000</b>
<b>Statement of financial position</b>			
Right of use assets	-	70,494	70,494
Lease liabilities	-	70,494	70,494

**Standards issued but not yet effective**

	<b>Effective for annual periods beginning on or after</b>
Revised Conceptual Framework for Financial Reporting	1 January 2020
MFRS 3 : Definition of a Business (Amendments to MFRS 3)	1 January 2020
MFRS 101 : Definition of Material (Amendments to MFRS 101)	1 January 2020
MFRS 108 : Definition of Material (Amendments to MFRS 108)	1 January 2020
MFRS 7, MFRS 9 and MFRS 139 : Interest Rate Benchmark Reform (Amendments to MFRS 7, MFRS 9 and MFRS 139)	1 January 2020
MFRS 17 : Insurance Contracts	1 January 2021
MFRS 101 : Classification of Liabilities as Current or Non-current (Amendments to MFRS 101)	1 January 2022
MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

At the date of authorisation of these interim financial reports, the above MFRSs and Amendment to MFRSs were issued but not yet effective and have not been applied by the Group for the financial year ended 31 March 2020. The Group expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.



**A. Explanatory Notes Pursuant to MFRS 134 (cont'd)**

**3. Auditors' report on preceding audited financial statements**

The auditors' report for the annual financial statements of the Group for the financial year ended 31 March 2019 was not subject to any qualification.

**4. Seasonality or cyclicity of operations**

The business of the Group is not affected in any material way by seasonal or cyclical factors or influence, apart from the general economic conditions in which it operates.

**5. Exceptional or unusual items**

There were no unusual items during the financial year ended 31 March 2020.

**6. Changes in estimates**

There were no material changes in estimates that have had a material effect in the financial year ended 31 March 2020.

**7. Debt and equity securities**

Save as disclosed below, there were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the Company during the financial year ended 31 March 2020:

**a) Warrants 2015/2019**

During the financial year ended 31 March 2020, a total of 4,977 Warrants were converted into ordinary shares at the exercise price of RM2.60 per ordinary shares. The remaining unexercised Warrants of 222,295,438 had lapsed and became null and void on 19 July 2019. The Warrants had been removed from the Official List of Bursa Malaysia Securities Berhad on 22 July 2019.

**b) Treasury Shares**

During the financial year ended 31 March 2020, the Company bought back 1,200,700 of its issued ordinary shares in the open market for a considerations of RM440,958. As at 31 March 2020, the total shares repurchased and held as treasury shares amount to 25,592,596 ordinary shares at a total costs of RM28,159,902.

**8. Dividends paid**

On 28 August 2019, the shareholders approved the payment of a first and final single-tier dividend of 3.0 sen per share in respect of the financial year ended 31 March 2019 to shareholders whose names appeared in the record of depositors at book closure date on 12 September 2019. The total dividend amounting to RM42,976,488 was paid on 1 October 2019.

**9. Segmental information by business segment**

<u>Year ended</u> <u>31 March 2020</u> RM'000	Property	Hospitality	Investments and others	Elimination	Total
<b>REVENUE</b>					
External sales	418,372	63,392	5,038	-	486,802
Inter-segment sales	795	-	475,326	(476,121)	-
Total revenue	<u>419,167</u>	<u>63,392</u>	<u>480,364</u>		<u>486,802</u>
<b>RESULTS</b>					
Segment results	(47,205)	(28,654)	463,969	(477,465)	(89,355)
Share of results of joint ventures	(4,265)	-	-	-	(4,265)
Finance cost					<u>(61,990)</u>
Loss before tax					<u>(155,610)</u>

A. Explanatory Notes Pursuant to MFRS 134 (cont'd)

9. Segmental information by business segment (cont'd)

<u>Year ended</u> <u>31 March 2019</u>	Property	Hospitality	Investments and others	Elimination	Total
<b>RM'000</b>					
<b>REVENUE</b>					
External sales	798,927	84,348	3,045	-	886,320
Inter-segment sales	461	-	341,924	(342,385)	-
Total revenue	<u>799,388</u>	<u>84,348</u>	<u>344,969</u>		<u>886,320</u>
<b>RESULTS</b>					
Segment results	315,285	(910)	248,491	(324,071)	238,795
Share of results of joint ventures	(104)	-	-	-	(104)
Finance cost					<u>(76,793)</u>
Profit before tax					<u>161,898</u>

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

- (i) Property - development and investment in residential and commercial properties
- (ii) Hospitality - management and operation of hotels and serviced apartments
- (iii) Investments and others

**Segment performance for the current financial year as compared to the previous period's corresponding financial year**

(i) **Property**

The property segment recorded a revenue of RM418.4 million in the financial year ended 31 March 2020 as compared to RM798.9 million in the previous financial year ended 31 March 2019, representing a decrease of RM380.5 million or 47.6%. The decreased revenue was mainly due to lower revenue recognition from on-going projects in Seri Tanjung Pinang ("STP") 1, namely The Tamarind and Ariza Seafront Terraces which were completed in the previous financial year and lower revenue recognition from the land reclamation in STP2A. However, the decrease in the current year's revenue was partially off-set by the increase of revenue from the sales of completed properties in STP1.

The joint venture ("JV") projects namely, The Mews, Conlay and Avira Garden Terraces, contributed a total revenue of RM90.0 million in the financial year ended 31 March 2020 as compared to revenue RM86.5 million achieved in the previous financial year ended 31 March 2019. The recently unveiled Conlay serviced residences in Kuala Lumpur city centre has just commenced construction work in the third quarter of the current financial year.

After incorporating revenue recognised from the JV projects, the Group's property segment recorded an adjusted revenue of RM508.4 million in the financial year ended 31 March 2020 as compared to an adjusted revenue of RM885.4 million in the financial year ended 31 March 2019.

The property segment recorded an operating loss of RM47.2 million for the current financial year as compared to the operating profit of RM315.3 million in the financial year ended 31 March 2019. This represented a decrease of RM362.5 million or 115.0%.

The Covid-19 pandemic led to the implementation of the Movement Control Order ("MCO") on 18 March 2020 by the Malaysian government. This resulted in lower property sales in the final quarter of the current financial year and critically impacted the market value of the properties. The segment had recognised an impairment loss of RM190.1 million on the inventories and investment properties due to the Covid-19 pandemic.



**A. Explanatory Notes Pursuant to MFRS 134 (cont'd)**

**9. Segmental information by business segment (cont'd)**

**Segment performance for the current financial year as compared to the previous period's corresponding financial year (cont'd)**

**(ii) Hospitality**

The hospitality segment recorded a revenue of RM63.4 million for the financial year ended 31 March 2020 as compared to RM84.3 million in the financial year ended 31 March 2019. This marked a decrease of RM20.9 million or 24.8% mainly due to the temporary closure of the Heritage Wing of Eastern & Oriental Hotel from March to December 2019 for an extensive refurbishment exercise. The Heritage Wing was re-opened for business in December 2019. Furthermore, the Covid-19 pandemic coupled with MCO which started on 18 March 2020 had also severely impacted the segment in the final month of the current financial year.

The segment incurred an operating loss of RM28.6 million in the financial year ended 31 March 2020 as compared to a loss of RM0.9 million in the financial year ended 31 March 2019, the increase in losses of RM27.7 million due to lower revenue recognised as a result of the temporary closure and MCO.

The Covid-19 pandemic has hit the tourism, travel and hospitality industries especially hard. The declining revenue had resulted in an impairment loss recognition of RM19.5 million on the rights of use on E&O Residences service apartment units in the current financial year.

**(iii) Investments and others**

The investments and others segment recorded an operating profit of RM463.9 million for the financial year ended 31 March 2020 as compared to RM248.5 million in the financial year ended 31 March 2019, an increase of RM215.4 million or 86.7%. The higher operating profit was attributed by higher dividend income received from subsidiaries which amounted to approximately RM472.5 million as compared to RM330.0 million in the previous corresponding financial year. The dividend income will be eliminated on the Group basis.

The operating results of the previous financial year of this segment included a holding cost payable of RM44.5 million in relation to the non-exercise of lease option to acquire a land.

The Ringgit weakening against the Sterling Pound resulted in the unrealised foreign exchange gain of RM1.3 million in the current financial year as compared to the unrealised foreign exchange loss of RM5.6 million in the previous corresponding financial year for its United Kingdom investments.

**10. Valuation of investment properties**

The Group adopts the fair value model for its investment properties.

During the current financial year, there was a net fair value loss in the investment properties of RM120.3 million (as compared to a net fair value loss of RM3.9 million in the previous financial year) which was recognised in the statement of comprehensive income.

**11. Material subsequent events**

As at 22 June 2020 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report), there were no material subsequent events at the end of the financial year ended 31 March 2020.

**12. Changes in composition of the Group**

Damansara Peak Sdn Bhd ("DPSB") was incorporated in Malaysia on 2 January 2020. The current issued share capital of DPSB of RM250,000 comprising 250,000 ordinary shares held by KCB Holdings Sdn. Bhd. (51%) and Mitsui Fudosan (Asia) Malaysia Sdn. Bhd. (49%).

**A. Explanatory Notes Pursuant to MFRS 134 (cont'd)**

**13. Contingent Liabilities**

There were no contingent liabilities as at 22 June 2020 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report), except for the Company which has issued corporate guarantees to banks and financial institutions for banking facilities granted to certain subsidiaries as follows:

	<b>RM'000</b>
Corporate guarantees issued by the Company for banking facilities granted to subsidiaries	<u>761,054</u>

**14. Capital Commitments**

Capital commitments of the Group in respect of capital expenditure are as follows:

	<b>As at 31.03.2020 RM'000</b>	<b>As at 31.03.2019 RM'000</b>
<b>Capital expenditure</b>		
Approved and contracted for		
Land reclamation	368,449	495,331
Investment property	13,700	-
Property, plant and equipment	<u>2,871</u>	<u>31,514</u>
Approved but not contracted for		
Property, plant and equipment	<u>2,119</u>	<u>6,206</u>

**15. Significant Related Party Transactions**

Recurrent related party transactions conducted during the current financial year ended 31 March 2020 are in accordance with the shareholders' mandate obtained at the last Annual General Meeting of the Company.

**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements**

**1. Review of performance**

The Group achieved a revenue of RM486.8 million for the financial year ended 31 March 2020 as compared to RM886.3 million recorded in the financial year ended 31 March 2019. This represented a decrease of RM399.5 million or 45.1%. The decrease in revenue was mainly attributed to the property segment which registered a decrease of RM380.5 million mainly due to lower revenue from on-going projects such as The Tamarind and Ariza Seafront Terraces in STP1 which were completed in the previous financial year and lower revenue recognition from the land reclamation in STP2A during the current financial year. The hospitality segment also registered a lower revenue with a decrease of RM20.9 million due to the temporary closure of the Heritage Wing of Eastern & Oriental Hotel for refurbishment.

The Group posted loss before tax of RM155.6 million for the financial year ended 31 March 2020 as compared to profit before tax of RM161.9 million in the financial year ended 31 March 2019. This represented a decrease in profit before tax of RM317.5 million or 196.1%. The loss before tax in the current financial year were largely due to the impairment losses of RM209.6 million recognised on the Group's assets and properties.

Further explanatory comments on the performance of each of the Group's business segments are provided in Note A9.



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**2. Variation of results against preceding quarter**

	<b>Current quarter ended 31.03.2020 RM'000</b>	<b>Immediate preceding quarter ended 31.12.2019 RM'000</b>	<b>Variance RM'000</b>
Revenue	96,236	119,150	(22,914)
Gross profit	53,936	44,233	9,703
Operating (loss)/profit	(178,084)	42,090	(220,174)
(Loss)/profit before tax	<u>(189,412)</u>	<u>24,166</u>	(213,578)

The Group recorded a revenue of RM96.2 million and loss before tax of RM189.4 million for the current financial quarter ended 31 March 2020 as compared to a revenue of RM119.2 million and profit before tax of RM24.2 million in the previous quarter. The loss before tax in the current quarter was mainly due to the impairment loss of RM209.6 million recognised on the assets and properties.

**3. Group's prospects**

The Covid-19 pandemic has had a deep negative impact on all aspects of the Malaysian economy and the Group is not spared. As the economy transitions into recovery mode and until the property development and hospitality sectors find their footing, the Group is continuously monitoring and adjusting our business strategies and direction.

In immediate response, a series of cost containment measures have been implemented. The Group has proactively focused on optimising its operations to ensure strong financial discipline with manageable cashflow and financial commitments.

**4. Variance in profit forecast/profit guarantee**

The Group did not issue any profit forecast/profit guarantee for the current financial year ended 31 March 2020.

**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**5. Taxation**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended	Comparative quarter ended	Current year ended	Comparative year ended
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current	10,262	35,705	44,171	88,819
- in respect of prior years	-	(1,330)	(180)	3,844
Deferred tax	21	(8,937)	(7,263)	(7,129)
	<u>10,283</u>	<u>25,438</u>	<u>36,728</u>	<u>85,534</u>

The effective tax rate of the Group for the current financial year ended 31 March 2020 under review is higher than the statutory rate of 24% mainly due to certain expenses of the Group that are not deductible for tax purposes.

**6. Additional disclosures**

Included in the condensed consolidated statements of comprehensive income for the year are the following:

	Individual Quarter		Cumulative Quarter	
	Current quarter ended	Comparative quarter ended	Current year ended	Comparative year ended
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	RM'000	RM'000	RM'000	RM'000
Interest income	3,990	6,369	23,998	24,695
Net of allowance for expected credit losses on receivables	(258)	(131)	(779)	(316)
Interest expense	(12,696)	(17,683)	(56,737)	(69,528)
Interest expense on lease liabilities	(1,160)	-	(4,750)	-
Depreciation and amortisation	(6,350)	(3,692)	(23,300)	(15,149)
Bad debts written off	(2)	(155)	(40)	(155)
Property, plant and equipment written off	(41)	28	(260)	(203)
Land held for property development written down	-	(5,307)	-	(5,307)
Impairment on rights of use assets	(19,458)	-	(19,458)	-
Reversal of impairment loss on property, plant and equipment	-	(209)	-	-
Property development costs written down	(69,862)	(14,424)	(69,862)	(14,424)
Unrealised (loss)/gain on foreign exchange	(5,467)	5,966	1,323	(5,604)
Net loss/(gain) on disposal of property, plant and equipment	1	23	(15)	(2)
Loss from fair value adjustment of investment properties	(120,256)	(3,030)	(120,256)	(3,922)
Unwinding of discounts - net	1,184	(6,945)	1,846	(7,085)
Fair value (loss)/gain on other investments	(199)	20	176	(58)



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**7. Status of Corporate Proposals**

Corporate proposal announced but not completed as at 22 June 2020.

- a) On 11 February 2019, the Company announced the proposal for fund raising that comprised of :
- i) a private placement of new ordinary shares in the Company ("E&O Stocks") of up to 10% of the Company's existing issued share capital at an issue price to be determined later ("Private Placement"); and
  - ii) a renounceable rights issue of new E&O Stocks to the entitled stockholders of E&O together with free detachable warrants at an issue price and basis to be determined and announced later ("Proposed Rights Issue with Warrants")

which in aggregate will aim to raise minimum gross proceeds of RM250 million for the Company ("Minimum Aggregate Proceeds").

The Private Placement which raised proceeds of RM127.626 million was completed on 18 March 2019.

On 22 July 2019, the Company announced the Proposed Rights Issue with Warrants will be undertaken on a minimum subscription level basis to raise a minimum gross proceeds of RM122.37 million.

On 11 December 2019, the Company announced to defer the implementation of the Rights Issue with Warrants after taking into consideration the recent unfavourable market sentiments observed in the Malaysian equity market and the recent share price performance of the Company. In this respect, the Company had on 11 December 2019 submitted an application to Bursa Securities for an extension of time of six (6) months from 8 February 2020 (being six (6) months from the date of the approval by Bursa Securities of the Company's listing application in respect of the Rights Issue with Warrants) to 7 August 2020 for the implementation and completion of the Rights Issue with Warrants.

On 17 December 2019, E&O had obtained approval from Bursa Securities for an extension of time of six (6) months from 8 February 2020 to 7 August 2020 to complete the Rights Issue with Warrants.

On 29 May 2020, the Company announced to abort the Proposed Rights Issue with Warrants after taking into consideration, amongst others, the much weaker market conditions attributable to the on-going Covid-19 pandemic, the declining market price of E&O Shares as well as the establishment of a RM1.3 billion First Tranche Sukuk Murabahah Programme (by its subsidiary Tanjung Pinang Development Sdn Bhd) to fund its ongoing and future reclamation, infrastructure and development project.



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**7. Status of Corporate Proposals (cont'd)**

- b) On 19 December 2019, Tanjung Pinang Development Sdn Bhd ("TPD"), a subsidiary of the Company had made a lodgement with the Securities Commission Malaysia ("SC") pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (issued on 9 March 2015 and revised on 26 November 2019) in relation to the establishment of an Islamic Medium Term Notes ("Sukuk Murabahah") of up to RM1.5 billion in nominal value ("Sukuk Murabahah Programme").

The Sukuk Murabahah Programme is unrated and has tenure of twenty five (25) years from the date of first issuance of the Sukuk Murabahah.

Proceeds raised from the issuance of Sukuk Murabahah under the Sukuk Murabahah Programme shall be utilised to part finance the infrastructure and development of STP Phase 2A, the reclamation of Phase 2B and Phase 2C, repay existing facilities and working capital requirements.

On 10 March 2020, the Sukuk Murabahah was successfully issued. TPD had drawdown RM289.1 million for the purpose of refinance the existing financing or borrowings.

- c) Utilisation of proceeds from the First Tranche of RM1.3 billion Sukuk Murabahah as at 22 June 2020.

The cash proceeds from the Sukuk Murabahah was partially utilised as follows:

	<b>Proposed utilisation RM'000</b>	<b>Utilised to date RM'000</b>	<b>Balance to utilised RM'000</b>	<b>Estimated Timeframe for utilisation</b>
Loan repayment, development cost, infrastructure costs on STP2A, working capital	750,000	289,100	460,900	Within 42 months
Reclamation cost of STP 2B & 2C, working capital	200,000	-	200,000	Within 42 months
Repayment of intercompany amount	170,000	-	170,000	Within 12 months
Payment of land premium	180,000	-	180,000	Within 12 months
	<u>1,300,000</u>	<u>289,100</u>	<u>1,010,900</u>	

**8. Group Borrowings**

- a) The Group borrowings were as follows:-

	<b>As at 31.03.2020 RM'000</b>	<b>As at 31.03.2019 RM'000</b>
Short Term - Secured		
- Bank overdraft	40,135	21,660
- Revolving credit	79,904	114,595
- Term loan	45,983	176,115
- Obligations under finance leases	506	542
	<u>166,528</u>	<u>312,912</u>
Short Term - Unsecured - RCMTNs	<u>151,504</u>	<u>192,421</u>
	<u>318,032</u>	<u>505,333</u>

**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**8. Group Borrowings (cont'd)**

	As at 31.03.2020 RM'000	As at 31.03.2019 RM'000
Long Term - Secured		
- Revolving credit	69,920	261,052
- Term loan	375,229	502,455
- Obligations under finance leases	902	845
- Sukuk	280,178	-
	<u>726,229</u>	<u>764,352</u>
Long Term - Unsecured - RCMTNs	-	143,688
	<u>726,229</u>	<u>908,040</u>

b) All the borrowings above were denominated in Ringgit Malaysia, except for the following:-

Long Term Term Loan - Secured Denominated in Pound Sterling (£'000)	20,000
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**9. Material Litigation**

There were no material litigation which affect the financial position or business of the Group as at 22 June 2020.

**10. Dividend**

The Board of Directors has recommended a first and final dividend of 1 sen per share held in the Company for the financial year ended 31 March 2020. The details of the entitlement date and payment date will be announced later.

**11. (Loss)/Earnings Per Share**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.03.2020	Comparative quarter ended 31.03.2019	Current year ended 31.03.2020	Comparative year ended 31.03.2019
<b>Basic (loss)/earnings per share</b> (Loss)/profit attributable to owners of the parent (RM'000)	(204,031)	38,215	(195,942)	61,918
Weighted average number of ordinary shares in issue (unit '000)	1,432,149	1,347,195	1,432,448	1,316,724
Basic (loss)/earnings per share for the year (sen)	(14.25)	2.84	(13.68)	4.70

The Group has no potential ordinary shares in issue as at reporting date and therefore the diluted (loss)/earnings per share is same as basic earnings per share.

BY ORDER OF THE BOARD

Wong Yah Yee  
Company Secretary

Kuala Lumpur  
29 June 2020