

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2015

	AS AT END OF CURRENT QUARTER 31-JUL-2015 (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31-JAN-2015 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,938,581	1,953,375
Investment properties	495,756	376,180
Land held for property development	744,268	728,541
Intangible assets	356,401	352,463
Investment in associates	14,590	23,646
Investment in joint ventures	107,453	82,128
Deferred tax assets	12,151	12,430
Investment in securities	219,219	72,506
Receivables	247,593	288,152
	<u>4,136,012</u>	<u>3,889,421</u>
Current assets		
Property development costs	166,787	231,756
Inventories	52,267	92,877
Tax recoverable	20,212	13,370
Receivables	721,518	718,994
Investment in securities	861,083	842,619
Cash and short term deposits	644,708	583,624
	<u>2,466,575</u>	<u>2,483,240</u>
Assets under disposal group	-	7,209
	<u>-</u>	<u>7,209</u>
TOTAL ASSETS	<u>6,602,587</u>	<u>6,379,870</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,711,910	1,711,910
Reserves	204,392	125,132
	<u>1,916,302</u>	<u>1,837,042</u>
Non-controlling interests	<u>1,275,392</u>	<u>1,250,998</u>
TOTAL EQUITY	<u>3,191,694</u>	<u>3,088,040</u>
Non-current liabilities		
Deferred tax liabilities	275,333	274,221
Borrowings	1,006,993	1,003,723
Payables	-	2,558
	<u>1,282,326</u>	<u>1,280,502</u>
Current liabilities		
Borrowings	1,433,230	1,240,959
Payables	685,218	746,135
Derivatives	3,986	7,815
Income tax payable	6,133	16,149
	<u>2,128,567</u>	<u>2,011,058</u>
Liabilities under disposal group	-	270
	<u>-</u>	<u>270</u>
TOTAL LIABILITIES	<u>3,410,893</u>	<u>3,291,830</u>
TOTAL EQUITY AND LIABILITIES	<u>6,602,587</u>	<u>6,379,870</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.12</u>	<u>1.07</u>

Note: The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2015

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER ENDED 31 JULY 2015

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-JUL-2015 RM'000	31-JUL-2014 RM'000	31-JUL-2015 RM'000	31-JUL-2014 RM'000
Revenue	172,077	273,840	366,366	484,274
Other income	33,555	17,646	67,790	74,241
Other expenses	(215,906)	(220,308)	(283,388)	(373,277)
(Loss)/profit from operations	(10,274)	71,178	150,768	185,238
Finance costs	(16,295)	(11,820)	(30,481)	(22,772)
Share of results in associated companies, net of tax	11	(493)	110	(540)
Share of results of jointly controlled entities -	-	-	-	-
Share of losses in joint venture	-	-	-	-
(Loss)/profit before tax	(26,558)	58,865	120,397	161,926
Income tax expense	(9,040)	(10,439)	(22,348)	(25,685)
(Loss)/profit for the period	(35,598)	48,426	98,049	136,241
(Loss)/profit attributable to:				
Equity holders of the Company	(30,607)	40,604	74,121	98,314
Non-controlling interests	(4,991)	7,822	23,928	37,927
	(35,598)	48,426	98,049	136,241
(Loss)/earnings per share attributable to equity holders of the Company				
Basic (sen)	(1.79)	2.37	4.33	5.74
Fully diluted (sen)	(1.79)	2.37	4.33	5.74

Note: The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2015

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED 31 JULY 2015

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-JUL-2015 RM'000	31-JUL-2014 RM'000	31-JUL-2015 RM'000	31-JUL-2014 RM'000
(Loss)/profit for the period	(35,598)	48,426	98,049	136,241
Other comprehensive (loss)/income:				
Items that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operation	(434)	(73,328)	9,966	(72,101)
Foreign currency translation loss reclassified to profit or loss	(1,003)	-	(1,003)	(20,211)
Available-for-sale financial assets				
- Net fair value (loss)/gain	(2,530)	606	(376)	344
- Reclassification to profit or loss	(2,916)	(33)	(2,916)	(33)
Income tax relating to components of other comprehensive income	81	(67)	(64)	(317)
Other comprehensive loss for the period, net of tax	(6,802)	(72,822)	5,607	(92,318)
Total comprehensive (loss)/income for the period	(42,400)	(24,396)	103,656	43,923
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	(31,273)	(6,824)	79,263	37,129
Non-controlling interests	(11,127)	(17,572)	24,393	6,794
	(42,400)	(24,396)	103,656	43,923

Note: The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2015

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2015**

(The figures have not been audited)

	Attributable to equity holders of the Company									
	Share capital	Share premium	Capital reserve	Available for-sale reserve	Exchange translation reserve	Exchange difference recognised in equity	Accumulated losses	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 February 2014	1,711,910	63,208	10,267	7,588	208,988	36,342	(245,822)	1,792,481	1,239,423	3,031,904
Total comprehensive income for the period	-	-	-	-	-	-	98,314	98,314	37,927	136,241
- Profit for the financial period	-	-	-	(234)	(48,203)	(12,748)	-	(61,185)	(31,133)	(92,318)
- Other comprehensive income	-	-	-	(234)	(48,203)	(12,748)	98,314	37,129	6,794	43,923
Transaction with owners	-	-	-	-	-	-	(47,933)	(47,933)	-	(47,933)
Dividend	-	-	-	-	-	-	-	-	(14,317)	(14,317)
Dividend to non-controlling interests	-	-	-	-	-	-	(47,933)	(47,933)	(14,317)	(62,250)
Total transaction with owners	-	-	-	-	-	-	(47,933)	(47,933)	(14,317)	(62,250)
At 31 July 2014	1,711,910	63,208	10,267	7,354	160,785	23,594	(195,441)	1,781,677	1,231,900	3,013,577
At 1 February 2015	1,711,910	63,208	10,267	7,254	202,236	31,376	(189,209)	1,837,042	1,250,998	3,088,040
Total comprehensive income for the period	-	-	-	-	-	-	74,121	74,121	23,928	98,049
- Profit for the financial period	-	-	-	(967)	52,028	(45,919)	-	5,142	465	5,607
- Other comprehensive income	-	-	-	(967)	52,028	(45,919)	74,121	79,263	24,393	103,656
Transaction with owners	-	-	-	-	-	-	(3)	(3)	-	(3)
Distribution equalisation in unit trust fund	-	-	-	-	-	-	(3)	(3)	-	(3)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	(166)	(166)
Business combination with non-controlling interests	-	-	-	-	-	-	-	-	166	166
Total transaction with owners	-	-	-	-	-	-	(3)	(3)	0	(3)
At 31 July 2015	1,711,910	63,208	10,267	6,287	254,264	(14,543)	(115,091)	1,916,302	1,275,392	3,191,694

Note: The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2015

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2015**

	6 MONTHS ENDED	
	31- JUL-2015 RM'000	31- JUL-2014 RM'000
Operating Activities		
Profit before tax	120,397	161,926
Adjustments for:		
Non-cash items	26,439	40,058
Non-operating items	(29,913)	(51,854)
Operating profit before changes in working capital	116,923	150,130
Net decrease/(increase) in assets	60,020	(63,173)
Net increase in liabilities	7,016	44,851
Cash generated from operations	183,959	131,808
Interest received	10,347	40,735
Taxes paid	(37,605)	(27,613)
Net cash generated from operating activities	156,700	144,930
Investing Activities		
Interest received	19,234	14,825
Disposal of subsidiary, net of cash disposed	1,418	-
Disposal of jointly controlled operation, net of cash disposed	69,064	-
Acquisition of subsidiary	-	(21,416)
Dividend received	7,426	733
Investment in joint ventures	(23,574)	-
Development cost on land held for development	(20,771)	(3,685)
Purchase of property, plant and equipment	(6,065)	(15,234)
Proceeds from disposal of property, plant and equipment	80	1,432
Proceeds from disposal of an associated company	17,175	-
Purchase of investment properties	(117,816)	(51,415)
Net (payment)/proceeds from settlement of derivatives	(29)	4,675
Net purchase from disposal of investment securities	(186,209)	(435,276)
Other payments	(24)	(18)
Net cash used in investing activities	(240,091)	(505,379)
Financing Activities		
Dividend paid	-	(47,933)
Dividend paid to minority interest	(3)	(14,317)
Interest paid	(30,216)	(21,200)
Net drawdown of borrowings	184,685	334,858
Decrease in pledged deposits for financing facilities	7,660	114,901
Net cash generated from financing activities	162,126	366,309
Net increase/(decrease) in cash and cash equivalents during the period	78,736	5,860
Cash and cash equivalents at beginning of year		
As previously reported	251,966	292,643
Effects of exchange rate changes	903	(14,450)
As restated	252,869	278,193
Cash and cash equivalents at end of current period which exclude monies held in trust, and fixed deposits pledged to financial institutions	331,604	284,053

Note: The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2015

Quarterly Report for the Financial Period Ended 31 July 2015

NOTES TO THE QUARTERLY REPORT

A1 Basis of Preparation

The quarterly financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The quarterly financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 January 2015.

A2 Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 January 2015, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC interpretations.

	Effective for financial periods beginning on or after
Amendments to FRS 119 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Annual Improvements to FRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011-2013 Cycle	1 July 2014
Annual Improvements to FRSs 2012-2014 Cycle	1 July 2014

The adoption of the above amendments/improvements to existing standards did not have any significant impact on the financial statements of the Group in the period of initial application.

Malaysian Financial Reporting Standards Framework ("MFRS Framework")

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework") in conjunction with its planned convergence of FRSs with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board on 1 January 2012.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 4 July 2012, the MASB has allowed Transitioning Entities to defer the adoption of the MFRS Framework to annual period on or after 1 January 2014.

On 7 August 2013, MASB has decided to extend the transitional period for another year i.e. the adoption of the MFRS Framework by all entities for annual financial period beginning on or after 1 January 2015.

A2 Changes in Accounting Policies (cont'd.)

Malaysian Financial Reporting Standards Framework (“MFRS Framework”) (cont'd)

On 2 September 2014, MASB has decided to extend the transitional period for another two years i.e. the adoption of the MFRS Framework by all entities for annual financial period beginning on or after 1 January 2017. The extension was given due to the delay of the issuance of the new Revenue Standard. The Group as a transitioning entity, will have to adopt the MFRS Framework for annual period beginning on or after 1 January 2018.

A3 Auditors’ Report of Preceding Annual Financial Statements

The auditors’ report of the preceding annual financial statements was not qualified.

A4 Seasonal or Cyclical Factors

The Group’s operations are not affected by any seasonal or cyclical factors other than the volatility in the trading volume and share prices on the Bursa Malaysia, the seasonal factors that affect the occupancy and room rates of the Group’s hotel operations and the general Malaysian economy.

A5 Unusual Items Affecting the Financial Statements

There were no items affecting assets, liabilities, equity, net income or cash flows during the financial period under review that were unusual because of their nature, size or incidence.

A6 Changes in Accounting Estimates

There were no changes in estimates that have had a material effect in the current year’s financial quarter results.

A7 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities since the last annual reporting date.

A8 Dividends Paid

No dividend was paid during the current year’s financial quarter.

A9 Segmental Information

Segmental revenue and results for the current financial period to date:

	Broking and financial services	Investment holding and Others	Credit and lending	Property investment	Property development	Hotel operations	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue								
External revenue	59,227	53,224	14,337	22,699	464	216,415	-	366,366
Inter-segment revenue	61	28,477	18,611	13,964	55	-	(61,168)	-
Total revenue	59,288	81,701	32,948	36,663	519	216,415	(61,168)	366,366
Other income	9,934	16,026	35,063	2,170	2,711	1,886	-	67,790
Results								
Net segment results	13,490	28,184	99,954	9,057	(4,308)	33,282	-	179,659
Foreign exchange (losses)/gains	613	(8,130)	4,967	(2)	(811)	(18,964)	-	(22,327)
Other unallocated amounts								(6,564)
Profit from operations								150,768
Finance costs	(268)	(16,587)	6,660	(3,688)	(15,356)	(1,242)	-	(30,481)
Share of results of associated companies	-	-	-	110	-	-	-	110
Profit before tax								120,397
Income tax expense								(22,348)
Profit for the financial period								98,049
Attributable to:								
Equity holders of the Company								74,121
Non-controlling interests								23,928
								98,049

A10 Subsequent Events

There were no material events subsequent to the end of the current year's financial quarter.

A11 Changes in the Composition of the Group

Disposal of Oasis Sdn. Bhd.

On 31 March 2015, TA Properties Sdn. Bhd., a wholly-owned subsidiary of TA Global disposed of its entire 25% equity interest in Oasis Sdn. Bhd., an associated company of the Group for a total consideration of RM17,174,922.

The disposal has resulted in a gain on disposal to the Group of RM6,723,286.

Disposal of TA Securities (HK) Limited

On 17 April 2015, TA International Sdn. Bhd. and TA Nominees Sdn. Bhd., both wholly-owned subsidiaries of the Company disposed of the entire 100% equity interest in TA Securities (HK) Limited ("TAHK") for a total cash consideration of HK\$15.8 million (equivalent to approximately RM7.3 million).

A11 Changes in the Composition of the Group (cont'd)

The financial effects on the Group arising from the disposal of TAHK are as follows:

	RM'000
Asset	
Plant and equipment	12
Receivables	427
Cash and cash equivalent	5,878
	6,317
Liability	
Less: Payables	(346)
Total net asset	5,971
Less: Translation reserve	(1,773)
Gain on disposal of subsidiary	4,198
Total cash consideration	7,296
Less: Cash and cash equivalents of subsidiary disposed	(5,878)
Net cash inflow on disposal of subsidiary	1,418

Agreement of Purchase and Sale and Termination of Joint Venture Agreement Between TA Development One (Canada) Ltd and Townline Gardens Inc.

On 12 June 2015, the Group announced that TA Development One (Canada) Ltd (“TADOCL”), a wholly-owned subsidiary of TA Global Bhd. (“TA Global”), has entered into an Agreement of Purchase and Sale and Termination of Joint Venture Agreement with Townline Gardens Inc. (“TLG”) (“the Purchaser”) and 0864227 B.C. Ltd on 7 May 2015 to sell and dispose all of TADOCL’s right, benefit and interest in arising from the following, at the disposal consideration of CAD23,517,253.57 (equivalent to RM69.5 million):-

- (a) The Joint Venture Agreement entered into by TADOCL and TLG on 26 November 2009 to jointly undertake the rezoning, development, construction, servicing, subdividing or stratifying of the lands and premises measuring approximately 22 acres situated in the City of Richmond, Province of British Columbia, Canada and marketing and sale of the residential and commercial units at any time located on the Land (“Project”).
- (b) The Project, including without limitation, TADOCL’s 65% interest.

The disposal was completed as at the date of this quarterly report following the closing conditions being met and payment of the consideration by the Purchaser in accordance with the terms of the termination agreement on 2 June 2015.

The disposal has resulted in a gain on disposal to the Group of RM1,181,956.

A12 Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets as at the end of the current year's financial quarter.

A13 Commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 July 2015 were as follow:

	<u>RM'000</u>
Approved and contracted for:-	
- Renovation	13,936
- Development expenditure	139,890
- Hotel acquisition	<u>293,380</u>
	<u>447,206</u>

B1 Performance Analysis of the Group's Operating Segments

Analysis of the profit before tax for the current and preceding year's second quarter:

	CURRENT YEAR QUARTER 31-JUL-2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-JUL-2014 RM'000
Revenue	172,077	273,840
Other income		
- Interest income from overdue financial receivables	11	341
- Interest income from financial institutions	3,265	2,549
- Interest income from investment securities	7,818	6,110
- Other interest income	126	284
- Gain on disposal of investment securities	15,557	4,292
- Gain on disposal of a jointly controlled operation	1,182	-
- Realised fair value (loss)/gain on derivatives	(80)	1,701
- Rental income	586	1,087
- Dividend income	4,289	340
- Others	801	942
	33,555	17,646
Other expenses		
- Amortisation and depreciation	(19,293)	(19,913)
- Cost of properties and building materials sold	(65)	(84,422)
- Remisiers', agents' and futures brokers' commissions	(9,098)	(10,042)
- Hotel operational and personnel cost	(70,299)	(77,210)
- Personnel cost and others	(35,182)	(38,990)
- Fair value (loss)/gain on investments	(63,211)	2,297
- Unrealised fair value (loss)/gain on derivatives	(1,900)	3,756
- (Allowance)/Reversal of impairment loss on receivables	(71)	3,337
- Impairment loss on investment securities	(13)	(33)
- Foreign exchange (loss)/gain	(16,774)	912
	(215,906)	(220,308)
Finance costs	(16,295)	(11,820)
Share of results of associated companies	11	(493)
(Loss)/ Profit before tax	(26,558)	58,865

B1 Performance Analysis of the Group's Operating Segments (cont'd)

The Group reported revenue of RM172.1 million and loss before tax of RM26.6 million for the current year's second quarter, as compared to revenue of RM273.8 million and profit before tax of RM58.9 million in the previous year's corresponding quarter.

For the current period-to-date, the Group reported revenue of RM366.4 million and profit before tax of RM120.4 million, as compared to revenue of RM484.3 million and profit before tax of RM161.9 million in the previous corresponding period.

Despite higher contribution from credit and lending division and property investment division, the Group's quarterly and period to-date results was dragged down by the lower contribution of all other segments, as analysed below:-

Broking and financial services

Profit before tax of the broking and financial services division decreased by 42% to RM4.8 million in the current year's second quarter as compared to the previous year's corresponding quarter.

For the current period-to-date, this division reported profit before tax of RM13.8 million, as compared to profit before tax of RM19.0 million in preceding year's period-to-date.

The decreases in the quarterly and period-to-date results were mainly due to the decrease in brokerage income.

Investment holding and others

Investment holding division reported loss before tax of RM54.9 million in the current year's second quarter, as compared to profit before tax of RM20.7 million in the previous year's corresponding quarter.

Despite higher dividend income and higher gain on disposal of investment securities, the current year's second quarter loss was attributable to fair value loss on investment securities, higher foreign exchange losses mainly on USD and CAD denominated balances and higher finance costs.

For the current period-to-date, this division reported profit before tax of RM3.5 million, as compared to profit before tax of RM45.1 million in preceding year's period-to-date.

Despite the gain on disposal of a subsidiary and of an associated company, higher dividend income, higher interest income and higher gain on disposal of investment securities enjoyed by the division during the current period-to-date, profit before tax was lower due to higher finance costs, and net foreign exchange losses resulted from translation of USD and CAD denominated balances.

Credit and lending

For the current year's second quarter, credit and lending division contributed RM37.6 million profit before tax to the Group, as compared to profit before tax of RM11.9 million in the previous year's corresponding quarter.

The increase in profit was mainly attributable to higher dividend income, higher interest income, net fair value gain on investment securities, higher gain on disposal of investment securities and higher foreign exchange gains resulted from translation of AUD and CAD denominated balances.

For the current period-to-date, this division reported profit before tax of RM111.5 million, as compared to profit before tax of RM48.9 million in preceding year's period-to-date.

B1 Performance Analysis of the Group's Operating Segments (cont'd)

Credit and lending (cont'd)

Despite lower loan recoveries, this division enjoyed higher dividend income, higher interest income, higher gain on disposal of investment securities, fair value gain on derivatives, fair value gain on investment securities and net foreign exchange gains resulted from translations of AUD and CAD denominated balances.

Property investment

Property investment division reported profit before tax of RM2.5 million in the current year's second quarter, as compared to profit before tax of RM1.7 million in the previous year's corresponding quarter.

For the current period-to-date, this division reported profit before tax of RM5.5 million, as compared to profit before tax of RM3.1 million in preceding year's period-to-date.

The increases in the quarterly and period-to-date results were mainly due to lower finance costs.

Property development

Property development division reported a loss before tax of RM4.2 million in the current year's second quarter, as compared to profit before tax of RM8.9 million in previous year's corresponding quarter.

For the current period-to-date, this division reported a loss before tax of RM20.4 million, as compared to profit before tax of RM11.7 million in preceding year's period-to-date.

The quarterly and period-to-date losses before tax were mainly attributable to the absence of project revenue recognition and higher finance costs.

Hotel operations

Hotel operations division registered net operating profit of RM7.3 million in the current year's second quarter, as compared to RM9.9 million in the previous year's corresponding quarter.

For the current period-to-date, this division reported a net operating profit of RM32.0 million, as compared to net operating profit of RM36.7 million in preceding year's period-to-date.

The quarterly and period-to-date decrease in net operating profits were mainly due to lower occupancy rates of the Movenpick Resort, Phuket and Swissotel Merchant Court, Singapore which are currently undergoing major refurbishment works.

Other than the above, the current year's second quarter performance was affected by foreign exchange translation losses.

B2 Material Changes in Profit Before Tax for the Current Quarter Compared with the Preceding Quarter

The Group reported loss before tax of RM26.6 million in the current year's second quarter as compared to profit before tax of RM115.4 million in the preceding quarter.

Despite higher dividend income, interest income and gain on disposal of investment securities, the Group's results was dragged down primarily by lower brokerage income, lower hotel revenue due to refurbishment works which affected occupancy, the absence of loan recovery income, net fair value loss on investment securities, and higher foreign exchange translation losses resulted from translation of USD and SGD denominated balances.

B3 Prospects for the current financial year

Although the recovery in the US economy is gaining momentum, the global economy is expected to remain subdued in view of the lower oil prices and China's slowdown in growth. Domestic's economy is expected to be more challenging due to slower export growth and anticipated moderate private consumption following the implementation of Goods and Services Tax ("GST") on 1st April 2015.

The prospect for each business division is summarized below: -

Broking and financial services

The equity market is expected to remain volatile in the remaining period of this year due to interest rate hike expectations in the US that would induce outflow of foreign funds, weak commodity prices that can affect trade surplus, softer economic growth at our major trading partner China, which could undermine exports and the ripple effects caused by the Greek conundrum.

However, higher discretionary income arising from the sharp pullback in crude oil prices, fresh liquidity injection from QE in the Eurozone, easing policy induced restrains in China and sustained fiscal and monetary measures in Japan are seen as strong external catalysts that could drive the benchmark index higher in the year 2015, on the back of unwavering domestic activities.

Our latest branch in Georgetown, Penang, commenced operations in January 2015. We will continue with our strategy of setting up branches as well as increase fee-based activities to boost our profits.

The investment management unit will focus on expanding private mandate and corporate sales business with aggressive marketing effort via the introduction of good incentives. We will also attract and grow agency force to expand third party funds platform. We target to improve market share by tying up with more banks and distributors, as well as apply for financial planning license to sell our products.

The Group will continue its expansion plan on its derivative trading and commodity products and services.

Credit and Lending

The credit and lending division will increase financing activities by providing term loans to business enterprises for their working capital and to individuals for their investments.

The Group expects a higher business turnover by focussing on the above areas in the current financial year.

B3 Prospects for the current financial year (cont'd)

Property Investment

The Group is projected to experience a lower income contribution from overseas and local property investments for the current financial year in the light of expected refurbishment works to be undertaken at some of our investment properties. On completion of these refurbishment works, the Group is confident that the refurbished investment properties will generate higher return in the future.

Property development

Due to challenging economic outlook, stringent mortgage approvals, cooling measures introduced by the Government and the wait-and-see approach adopted by property investors upon the implementation of GST, we anticipate our property sales in Malaysia to soften and lower property sales are expected from our existing property stocks for this financial year. As the Australian property market is experiencing strong residential sales, the Group will continue to focus on its Little Bay Cove project and hope to roll out new launches from this project for the financial year. We are confident that our sales from these new launches in Australia will be resilient. In addition, the Group will also be developing its land within the vicinity of Kuala Lumpur City Centre and going forward, we hope to see some significant sales contribution from this project.

Hotel Operations

The Group's hospitality businesses located in Singapore, Australia, Canada, China and Thailand will continue to generate stable recurrent income stream for the Group. Improved result is expected from our hotel in Thailand which was affected by political unrest, refurbishment and upgrading works since last financial year. Lower income contribution is expected from our hotel property located in Singapore due to upcoming major refurbishment works to be undertaken in this financial year.

As the Group continuously seeks to grow, the Group will continue to explore and evaluate opportunities to acquire new hotels to expand existing hotels portfolio and to enhance revenue contribution from our hospitality business.

Barring any unforeseen circumstances, the Group will continue to be profitable in the financial year ending 31 January 2016.

B4 Variance between Actual Profit and Forecast Profit

Not applicable.

B5 Taxation

a) Taxation for the current financial period is as follows:

	Current Quarter RM'000	Year to-date RM'000
Estimated tax charge for the period:		
- Malaysian income tax	5,287	14,541
- Foreign tax	2,136	5,217
Deferred tax	426	1,399
Withholding tax	928	928
Under provision in prior year		
- Foreign tax	263	263
	<u>9,040</u>	<u>22,348</u>

B5 Taxation (cont'd)

b) A reconciliation between the statutory and effective tax:

	Current Quarter RM'000	Year to-date RM'000
(Loss)/profit before tax	<u>(26,558)</u>	<u>120,397</u>
Taxation at the statutory income tax rate of 25%	(6,640)	30,099
Adjustments mainly due to the utilisation of previously unabsorbed tax losses and capital allowances, certain income not subject to tax net of certain expenses not deductible for tax purpose and other taxes	15,679	(7,751)
Tax expense for the financial period	<u>9,040</u>	<u>22,348</u>

B6 Corporate Proposals

Status of Corporate Proposals

There are no outstanding corporate proposals as at the end of the current year's financial quarter.

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 31 July 2015 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Long term borrowings</u>			
Term loans	909,993	-	909,993
Revolving credit	97,000	-	97,000
	<u>1,006,993</u>	<u>-</u>	<u>1,006,993</u>
<u>Short term borrowings</u>			
Revolving credit	376,191	221,000	597,191
Bank overdraft	728	-	728
Other short-term loans	835,310	-	835,310
	<u>1,212,229</u>	<u>221,000</u>	<u>1,433,229</u>
Total borrowings	<u>2,219,222</u>	<u>221,000</u>	<u>2,440,222</u>

The Group borrowings in RM equivalent analysed by currencies in which the borrowings are denominated are as follows:-

	Long term borrowings RM'000	Short term borrowings RM'000	Total RM'000
RM	97,000	416,000	513,000
CAD	147,698	150,466	298,165
RMB	9,854	9,854	19,709
SGD	460,397	25,007	485,404
AUD	292,043	58,383	350,426
USD	-	459,319	459,319
HKD	-	449	449
EUR	-	258,037	258,037
GBP	-	55,714	55,714
Total borrowings	<u>1,006,993</u>	<u>1,433,229</u>	<u>2,440,222</u>

B8 Material Litigation

As disclosed during the previous financial quarter ended 30 April 2015, the Group's subsidiary, Crystal Caliber Sdn. Bhd. ("CCSB") has issued a request for arbitration to commence arbitration proceedings against Kingdom Hotel Investments ("KHI"), on the dispute arising from breaches by KHI of the Sale and Purchase Agreement dated 25 April 2012 between CCSB and KHI ("SPA").

The request for arbitration is submitted by CCSB in accordance with Article 1 of the Arbitration Rules of the London Court of International Arbitration ("LCIA Rules"). CCSB's claim under the LCIA Rules arises from the tax covenant as set out in the Schedule 8 of the SPA whereby KHI agreed and covenanted to pay CCSB any tax liability and cost before 31 May 2012.

B8 Material Litigation (cont'd)

The estimated amount of claim in the request for arbitration by CCSB is in respect to the withholding tax claimed by the Phuket Revenue Office against:

- (i) Siam Recovery Holdings Company Ltd ("SRH") – amounting to THB 495,222.17; and
- (ii) Siam Resort Company Ltd ("SRC") – amounting to THB 118,850,681.35.

In addition, CCSB is also claiming for interest and costs arising from and in connection with the said matter.

The Group is of the opinion that the commencement of arbitration proceedings are in its best interest to preserve CCSB's rights in the SPA.

As at 23 September 2015, there were no changes in material litigation since the last financial year ended 31 January 2015, except as disclosed above.

B9 Dividend

Apart from the first and final single-tier dividend of 2.8% (2.8 sen per ordinary share) in respect of the financial year ended 31 January 2015 approved by shareholders during the Annual General Meeting on 29 July 2015, there was no further dividend declared as at the date of this announcement.

B10 Disclosure of derivatives

The Group has entered into accumulators, decumulators and forward contracts which formed part of the Group's investment portfolio with an objective to maximise the Group's performance.

These contracts are stated at fair values, using valuation technique with market observable inputs. Derivatives with positive market values are included under current assets and derivatives with negative market values are included under current liabilities. Any changes in fair values during the period are taken directly into the income statement.

Types of derivatives/Maturity	Contract/Notional value	Fair value asset/(liability)
Geared Equity Accumulators -Less than 1 year	RM310,527,534	(RM324,447)
Geared Equity Decumulators -Less than 1 year	RM76,060,383	(RM3,416,779)
Foreign Currency Forwards - Less than 1 year	RM83,739,159	(RM244,622)

B11 Disclosure of gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities for the current year's financial quarter.

B12 Disclosure of realised and unrealised profits/(losses)

Bursa Malaysia Securities Berhad (“Bursa Malaysia”) has, on 25 March 2010 and 20 December 2010, issued directives requiring all listed corporations to disclose the breakdown of retained profits or accumulated losses into realised and unrealised in quarterly reports and annual audited financial statements.

The breakdown of retained profits/accumulated losses of the Group as at the reporting date, into realised and unrealised profits are as follows:

	CURRENT QUARTER RM'000	AS AT THE END OF PRECEDING FINANCIAL YEAR RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
-Realised	1,282,040	1,070,188
-Unrealised	<u>(228,528)</u>	<u>(202,662)</u>
	<u>1,053,512</u>	<u>867,526</u>
Total share of retained profits of associated companies:		
-Realised	2,993	1,297
-Unrealised	<u>78</u>	<u>78</u>
	<u>3,071</u>	<u>1,375</u>
Total share of losses in joint venture		
- Realised	<u>(8,254)</u>	<u>(8,254)</u>
	1,048,329	860,647
Less: Consolidation adjustments	<u>(1,163,420)</u>	<u>(1,049,856)</u>
Total accumulated losses as per Statement of Financial Position	<u>(115,091)</u>	<u>(189,209)</u>

B13 (Loss)/Earnings Per Share attributable to equity holders of the Company

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-JUL-2015	31-JUL-2014	31-JUL-2015	31-JUL-2014
Basic (loss)/earnings per share				
(Loss)/profit for the period (RM'000) - attributable to equity holders of the Company	(30,607)	40,604	74,121	98,314
Weighted average number of ordinary shares in issue ('000)	1,711,910	1,711,910	1,711,910	1,711,910
Basic (loss)/ earnings per share (sen)	(1.79)	2.37	4.33	5.74

Basic earnings per share was calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares outstanding during the reporting period.

Diluted earnings per share were not computed for the current and preceding period as the Company does not have any dilutive potential ordinary shares in issue as at the end of the reporting period.

BY ORDER OF THE BOARD
Chuah Wen Pin

Kuala Lumpur
30 September 2015